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The Shape of Things

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REPUBLIC STEEL HAS DRAWN FIRST BLOOD in the fight of the independents to resist even to the death (of union pickets) the signing of a contract with the Steel Workers' Organizing Committee. Republic and its fellow-independents are certainly violating the spirit if not the letter of the Wagner Act; and they show every sign of having banded together in a conspiracy to defeat unionization and collective bargaining. In the light of its real attitude and its profits Republic's sanctimonious answer to the question "Why not sign with the C. I. O.?" is even more objectionable than the usual employer's plaint. "Of course," runs the litany, "it's the easiest thing to do, but that doesn't make it the right thing. . . . We can't let 400,000 people down just because it's the easiest thing to do." The self-righteousness of Republic has already led to the death of five persons. The role of the city police in the battle of Chicago is being investigated. It needs to be. According to one of the wounded, "I saw a woman fall as she was being clubbed by the policemen. She was bleeding and looked like she was dying. I ran over to pick her up when the police hit me over the head." Whose police are they?

*

THE STORY OF THE KILLINGS AT PONCE IN Puerto Rico on Palm Sunday is told in sharp outline on another page of this issue by Arthur Garfield Hays, who represented the American Civil Liberties Union as chairman of an impartial investigation of the tragedy. The findings of the committee were unqualifiedly against the government, and the responsibility for the slaughter of twenty people and the wounding of nearly two hundred more was laid squarely upon Governor Winship. The report also asserts that civil liberties are dead in Puerto Rico, and calls upon the Governor to see to it that the rights of the people as guaranteed in the Organic Act of the island are restored and protected. These are shocking charges, the more so since the government of Puerto Rico is directly under the control of Ernest Gruening, a sincere progressive and anti-imperialist, who as chief of the Division of Territories and Insular Possessions has been carrying out vast projects of relief and long-range reconstruction. That the indictment brought by Mr. Hays is taken seriously is indicated by the hurried trip to Washington of Dr. Gruening and Governor Winship.

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The Governor is bringing with him a detailed reply to the committee's report, which may be in the hands of the public by the time this comment is read.

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BALDWIN IS GONE. THE DOOR OF THE HOUSE of Lords has closed upon a figure and a career whose contours—and whose démarches—resembled those of a caterpillar tank. Self-contained, blundering, yet heavily confident, Baldwin has carried his last objective. He has even earned the term "greatest" from no less an appraiser of public men than the New York *Times*. If we withhold the adjective it is because we never took Baldwin's view of himself and also because we reserve the term for men whose blunders as well as their successes are more bound up with boldness, imagination, and human understanding. Standing pat has not yet become the criterion of genius, except for those to the right of center. Baldwin's only talent was for standing pat; and it was his good luck that the times were fitted to his talent. An exhausted and uncertain England let him rule in spite of his blunders, his stubbornness, his sturdily reactionary policies in disarmament, in India, in Ethiopia, in Spain, in the Simpson affair. It also listened to his unctuous speeches. But he was beginning to outrun his era even as he resigned. One cannot resist the impression that toward the end time stood still until Baldwin should step down; or that the loud tick of history will soon drown out his "greatness." P.S.: Ramsay MacDonald also resigned.

✶

NEVILLE CHAMBERLAIN IS CAST IN A SHARPER mold. His hardness is not sheathed in the smug hypocrisy of Baldwin. Moreover, Mr. Chamberlain comes to office at a time when issues are beginning to sharpen all along the line. Labor is more restive than it has been since 1926. The recent "neutral" period in British politics has been based on recovery and on a fear of war that haunts all classes and unites them in a truce for rearmament. Baldwin was perfectly equipped to prolong and fully exploit that neutral atmosphere. But it is becoming clearer every day who will benefit most from both recovery and rearmament. Mr. Chamberlain's first opposition is coming from the right—big business does not like his excess-profits tax—but he is likely soon to meet more fundamental opposition from the left because of his real, and apparent, conservatism. His accession definitely stamps the National Government as a Conservative one—despite the fact that the old balance is maintained in the Cabinet—and it is expected that the Conservatives will confirm it by forcing a "coronation" election.

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WE COMMEND THIS ISSUE OF *THE NATION* to the attention of every member of Congress. It provides a rather complete guide to the methods of Nazi propaganda in foreign countries. Though objectives may differ, the technique is the same: witness the similarity between the network in Spain, as described by Mr. Engelbrecht, and the nature of Nazi activity in this country outlined by Mr. Lore. Nazi influence is already established here—and it will grow like a weed once the economic conditions are ripe. It must be fought steadily and persistently. A genuine Congressional investigation of fascist activities is in order—preferably without the participation of Mr. Dickstein, who obviously likes red-hunting better.

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THE FULL SIGNIFICANCE OF THE NAZI crusade against the church, both Protestant and Catholic, is gradually being made clear. The accusation of immoral practices against priests turns out to be merely a despicable and probably effective weapon for discrediting the church in the interests of the totalitarian state—which can brook no rivals for the control of youth. Herr Goebbels has expressly declared that the Hitler regime is out to destroy the faith of parishioners in their priests. We hold no brief for the religious superstition and ignorance with which such priest-ridden countries as Italy and Spain have been held in thrall; but the fascist fanaticism which Hitler would substitute bodes no better for the human soul. Meanwhile we cannot but reflect upon the aid and comfort which the Vatican and all its satellites, down to Michael Williams, have given to the destroying angel of fascism in Spain.

✶

THE RECENT WARNING TO THE JEWS OF Italy that they must demonstrate their undivided loyalty to fascism has little relation to anti-Semitism in the common or Hitler sense. Compared with the Germans, the Italians have little need, either psychological or economic, for a scapegoat. Nor, if they had, would the Italian Jews adequately serve the purpose, since they number less than 50,000, or about one-eighth of 1 per cent of the Italian population. The recent editorial in the *Popolo d'Italia* is a warning that Italy, as a totalitarian state, will tolerate from its citizens no sentiment conflicting with their duty as Italians and as Fascists. The statement was directed chiefly against Zionists and indicates no new policy. In September, 1936, at the time of the World Jewish Congress in Geneva, to which the Italian Jews sent four delegates, the *Regime Fascista* published a similar indictment of Jews who took part in Zionist campaigns or allied themselves with the "Jewish International." As its invasion of Spain shows, Italy's foreign policy has become increasingly focused upon the Mediterranean, where its chief rival is England. For at least two years Italian agents have been stirring up the Arabs against the British. Mussolini's opposition to Zionism is only the reverse of this same policy.

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PRESIDENT CONANT OF HARVARD DESERVES great credit for acceding to the demand of 131 junior teachers for an inquiry into the issues raised by the dismissal of Alan R. Sweezy and J. Raymond Walsh. The inquiry will be made by the group of nine professors chosen by the protesting group.

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The New Crisis in Spain

IT IS impossible to exaggerate the danger which has arisen as a result of the shelling of Almeria. The immediate incident may, as Germany claims, be "settled" with the brutal reprisal; but the attack is a clear warning that the two fascist powers will not brook a Loyalist victory in Spain if it is within their power to prevent it. While the circumstances surrounding the bombing of the Deutschland are not wholly clear, there is every indication that it was deliberately provoked by Germany to furnish an excuse to destroy the increasingly effective non-intervention mechanism. According to the German government's own admission, the Deutschland was not on patrol duty off the Spanish coast where it had been assigned but was lying near the breakwater in a rebel port on the island of Iviza. It is significant that the patrol of that island is in the hands of the French, and that in any case the international patrol is not supposed to be active in Spanish waters. Moreover, according to the official report of the Spanish government, issued some hours before the German pronouncement, the Deutschland opened fire on the Spanish planes with its anti-aircraft guns. This the Germans deny. But they also denied the bombing of Guernica. And the wholly unexplained presence of the ship in a rebel port arouses further suspicion.

In incidents of this type it really makes little difference who fires the first shot as far as the consequences are concerned. If Germany intended to defy the non-intervention pact, it would have little difficulty in finding a pretext for its action. If it had decided against active intervention, it would not allow such an incident to create a war situation any more than Britain has done when its ships have been attacked by the rebels. The best way to judge intent is by Germany's reaction to the present crisis. We must conclude that the recent discussions between Mussolini and Göring were more fruitful than we had supposed.

The failure of the League Council to take definite action in response to the Spanish government's appeal against Italian aggression has encouraged the fascists to their new attacks. Never before in the League's history has a member government submitted more complete proof of aggression by a fellow-member than is to be found in the Spanish White Book. Evidence was submitted showing that complete units of the Italian army are maintained in Spain, that these units act as veritable armies of occupation, and that high Italian officials have actively assisted these invading armies. But whereas six years ago the League at least went through the motions of condemning Japan and two years ago it declared sanctions against Italy, it has shown paralysis in the Spanish crisis.

The attack on Almeria spells the end of non-intervention as a practicable solution of the Spanish crisis. If a gradual drift toward a European war is to be checked, the fact of German and Italian intervention will have to be accepted and measures taken to stop it. Machinery already exists in the League for such action. If it is not used, all that has been achieved in the past few months toward isolating the Spanish conflict will be lost.

Raising Labor Standards

OPPONENTS of the new Administration bill to establish minimum wages and maximum hours are seeking to discredit the proposal by referring to it as the "new NRA." The inference is unfair. The NRA was essentially a measure for industrial self-control. Each industry was given wide latitude in prescribing the "unfair business practices" which were to be outlawed. The labor provisions varied widely from industry to industry, depending on the degree of pressure which organized labor was able to bring to bear on the code-making authorities. Viewing it in retrospect, most observers agree that the NRA was a failure. For months before it was outlawed by the Supreme Court it showed unmistakable signs of decay. But its final collapse had little to do with its labor provisions. As recovery developed, industry lost interest in the regimentation it had eagerly embraced in 1933, with the result that the vast superstructure of regulation became unenforceable.

None of these defects are to be found in the new wages-and-hours bill. It does not touch the field of business practices; it does not attempt to cover the whole range of economic activity but only such industries as are producing goods for interstate commerce. While the enforcement of any law of nation-wide application presents difficulties, they should not prove unusually serious. The ease of enforcement depends, in the last analysis, on the strength and alertness of organized labor.

Nevertheless, the New York *Herald Tribune,* among other tory newspapers, has repeatedly declared the bill unsound. The objections may be summarized under five heads: (1) that the bill will lower living standards through an unwise reduction in hours; (2) that it places too much power in the hands of five men; (3) that it will drive many weaker industries out of business; (4) that it would necessitate the fixing and lowering of the wages of skilled labor; and (5) that it does not sufficiently take into account sectional and industrial differences.

The first objection would be well taken if the bill were combined with the thirty-hour-week proposal of the original Black-Connery bill. But it is difficult to see how anyone can wish to impose a higher maximum—except for seasonal work for which allowance is made—than the forty-hour limit which the bill will probably incorporate. Since few large industries work more than forty hours today, there can be no question of lowering productivity. Nor are we impressed by the fascist threat which is said to lurk in the proposed five-man committee. The conservative critics would be the last to deny that flexibility is desirable in both the hour-and-wage regulations. But how can such flexibility be achieved without putting ultimate responsibility on one man or group of men? In practice

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the power that would be wielded by this commission would not even approach the power over the national economy exercised by the Federal Reserve Board.

We shall not deny that certain marginal industries, such as the textile industry, will be adversely affected by a law prescribing a $16-a-week minimum wage. A number of establishments still exist only through a merciless exploitation of their employees. Even though the law is a blanket one, applying to all domestic competition, enterprises depending on low wages to offset the natural advantages of their more favored competitors will suffer more than others. It is conceivable that some of these may be put out of business by minimum-wage legislation and that their employees will lose their jobs. Every advance in the history of labor legislation has been at the expense of employees in marginal industries. But for every man who loses a job through an improvement of labor standards, at least one or two other jobs are created by the increase in buying power.

It is of course true that effective minimum wages will tend to reduce the share of the national income obtained by more favored groups, including skilled workers. While the enhanced buying power of the lowest brackets would result in some increase in production, there would also be an actual transference of income. But this is scarcely an argument against the proposal, since hundreds of thousands of the most needy would undoubtedly benefit.

None of the large New York papers have come out openly against minimum-wage legislation or the prohibition of child labor. But they suggest that the individual states are in a better position than the federal government to take into account sectional differences. It seems incredible that any person in 1937 can still take this position. State legislation in the field of social welfare has not only been inconsistent, backward, and badly drafted, but it has been hopelessly tardy. The states which need the legislation most are the last ones likely to act. No state can be expected to adopt a minimum wage which injures its industries in competition with similar industries in other states. All the logic lies on the side of federal action. Every American, regardless of where he works, has the right to a living wage, to decent hours of labor, and the opportunity to give his children the education necessary to fit them for life.

What Are American Nazis Doing?

BY LUDWIG LORE

THE American branch of the German National Socialist Party is engaged in so many activities that their enumeration alone would fill pages of this magazine. It must be understood from the outset that there is no *official* branch of the German fascist party. The German-American Bund, successor to the first official Nazi organization in America, which was dissolved on instructions from Berlin some two and a half years ago, is the political expression of Nazism in the United States. It has more than one hundred branches and tens of thousands of members in this country. The *Deutscher Weckruf und Beobachter,* its official organ, published in New York, is edited with that impertinent "frankness" and disregard for the truth so characteristic of similar publications in the Fatherland.

The main task of Nazi propaganda in this country is gradually so to permeate German- and English-speaking non-fascist groups with the Nazi ideology that they will affiliate *in corpore* with the Bund and become active in the interest of its manifold propaganda objectives. It is significant that almost every issue of the Nazi weekly announces several new affiliates from among German-American societies, and hardly a festival, affair, concert, or dance is held by these formerly non-political organizations without speeches by professional Nazi propagandists.

That a tremendous amount of this work is being carried on by or with the direct assistance of the Ministry for Propaganda and Enlightment in Berlin is easily confirmed. During the last nine months the following persons were sent to America by Minister Joseph Goebbels to function along their respective lines of Nazi activity: Professor Julius Richter of the University of Berlin, attached to the propaganda division of the Nazi Faith Movement, teaching at the Biblical Seminary in New York; Dr. Norbert Zimmer from Hanover, "scientific lecturer"; Captain Henry Hamilton Beamish, British fascist leader, with his German aid Dr. Kräger (provided for him by Berlin); Hanns Münz, actor and lecturer; Ida M. Eversden, St. Louis, Missouri; Colin Ross, lecturer, traveler, and writer; Ulrich Rheinberg; the Reverend Mr. Becker, Giessem; Rudolf Malek (specially engaged in anti-Soviet activities among German societies); Otto Doelz; Kurt Klinge, assistant organizer; Josef Danner, theatrical director, Pittsburgh; Dr. Otto Vollbehr; Thea Rasche, aviatrix; Ernst Reichard, president of the German advertising federation; Emerson Bainbridge, English propagandist now on the Nazi pay roll; and others—for this list does not claim to be complete.

The German Propaganda Ministry is helpful in other directions as well. Henry Albert Phillips's "Germany Today and Tomorrow" was ordered and paid for by the kindly Goebbels; Dr. Charles C. Tansil of Washington University aids the German embassy by making pro-Nazi speeches and writing articles. The Propaganda Ministry assisted in the publication of the Nazi propaganda articles written by Miss Margaret Frazier of Indianapolis, a graduate of Indiana University and of Kensington High School, London. A chain of German film theaters in the

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United States, subsidized by Berlin, shows Nazi films exclusively. Nazi films picturing the Third Reich in its various activities are released to German societies for a purely nominal fee. Hanns Münz, who is a member both of the American Nazi group and of the German National Socialist Party, directs the German theater "Deutsche Schauspielbühne," which is to conduct German cultural (Nazi) propaganda in various parts of the United States. Mr. Josef Danner in Pittsburgh is engaged in similar work. The Reich propaganda machine has organized Nazi literature centers in nineteen American cities.

It goes without saying that such "friendly assistance" is given to many other German and American writers of more or less established reputation, many of whom hide their identity behind one or more pseudonyms. One of the most versatile and gifted of these is George Sylvester Viereck, whose work is to be found in all sorts of weekly and monthly American publications under the names of George F(our) Corner, Donald Furtman Wickett, Dr. Claudius Murchison, and William R. Sticher. The two last-named gentlemen are not fictitious, but the articles which have appeared under their names during the last two years were written by the genial poet.

Dr. Goebbels should also get credit for the establishment of the Committee for German-American History. Its personnel includes Fritz Kuhn, the American leader of the Nazi movement, Carl Günther Orgell, Rudolf Markmann, Richard Mettin, Karl T. Marx, and George Froböse—the highest officials of the Nazi organization here. This committee is to publish a series of books proving to the satisfaction of their authors that it is because of the Aryan immigrants from Germany that America has not fully succumbed to the poisonous influence of Jewry.

More than twenty schools for German children have been founded. Readers imported from the Reich and written by Nazi school authorities implant anti-Semitic hatred in youthful German-American souls. At a meeting of the Nazi officials of the Eastern states held on February 3, Fritz Kuhn announced the formation of a political school for Nazi officials which began to function on February 15. There are a good many other organizations and movements in America which owe their existence to the enlightening influence and the munificence of the Third Reich. There are large Nazi camps in New York, New Jersey, Pennsylvania, Ohio, Illinois, Texas, California, and other states, and there has been a revival of a number of slowly dying German-language newspapers in smaller American cities which simultaneously began preaching the German brand of fascism.

I have hardly scratched the surface of Nazi activities here. The German-American Board of Trade was reorganized on April 22 and is now under German government control. H. A. Johnson, the New York representative of the Leipzig Fair, who in 1934 was implicated in the the vice-presidents are Johannes Scroöeder (Hamburg-American Line and North German Lloyd), who was shown before the Congressional Committee Investigating Un-American Activities in 1934 to have been involved in transporting and supporting German Nazi agents in this country; A. T. Gausebeck (Robert C. Mayer and Company, Inc.), who was exposed as having financed Nazi agents in this country and handled financial transactions which Berlin wants to keep under cover; H. H. Hollesen (New York Potash Export Company, Inc.), New York agent of Stinnes, whose office is one of the Nazi commercial and military intelligence centers; P. Paul Huber (vice-president in charge of the Foreign Department of the Guaranty Trust Company), known Nazi sympathizer; A. Scheurer (formerly with the Hamburg-American Line), for the last four years "personal observer" in America for Hitler; Ernst Schmitz (German Railroad Tourist Office) charged before the 1934 Congressional committee with taking Nazi pay. The manager of the German-American Board of Trade is Dr. Albert Degener, who has repeatedly admitted that he is working in the United States for the Nazi Party.

The center for German technical intelligence has been reorganized. The old "Technischer Verein" is the formal screen. The leader of the New York Gestapo (German Secret State Police), Ernst Krause Wichmann, replaced Rudolph Wildermann, who was considered inefficient, with the Nazi-trained *Diplom Ingenieur* Rudolph Pickenbrock. Mr. Pickenbrock is responsible for conveying technical information to Dr. Matschoss of the German Engineers Club in Berlin. F. Willy von Meister of the New York office of the Deutsche Zeppelin Rhederei is still in charge of all technical intelligence and was recently reconfirmed in the office. Besides, he is official liaison man for the Nazi Party with the most important American industrial and commercial institutions. Several private American travel bureaus serve Nazi purposes in a similar capacity—furnishing intelligence of the most diverse kind.

The American Nazi movement has branched out widely in the organization of youth groups for girls and boys, in the establishment of women's circles, and in the inauguration of storm troop units, which are known as Ordnungs Dienst, in many parts of the United States. Its members attend weekly training practices, wear a uniform, and must be at all times at the disposal of the superior officers of the Nazi organization.

Finally a word or two must be said about the "international" aspect of Nazi activities. Leader Kuhn announced in his German weekly on April 22 that all Nazi organizations in America, Canada, and South America will cooperate in the future. ". . . Close working agreements of all German racial groups in North, South and Central America, similar to the German organizations in European countries which jointly take care of German interests, have been concluded. The political tasks which await us in the New World are so important and gigantic that they make it worth while to devote our best efforts to them. . . ." More recently fascist meetings and conferences held among German, Italian, White Russian, Polish, Finnish, Hungarian, and native-born American groups have displayed a growing tendency toward organizational unity, and the signs point to a general fascist merger sooner or later.

Fascism in the United States is becoming stronger. Caveant Consules!

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Congress Looks Toward 1938

BY ROBERT W. HORTON

Washington, May 27

PRESIDENT ROOSEVELT'S wage-and-hour bill is the political fire escape for Congressional opponents of the Supreme Court plan. More than a few of the boys on both sides of the Capitol are quietly preparing to take this way out. And that means, of course, that the President will have slight difficulty harvesting the necessary votes to put it across. It won't require any such squeeze play as was tried on the court plan.

This new measure, now on the firing line of hearings, was thrust into the legislative mill much more subtly than was the court plan. The latter was shoved at the Congress with a gesture that none could mistake. Take it or else—. The wage-and-hour measure, while originating in practically the same place, followed the conventional procedure of being introduced by a member of the House and a member of the Senate. This makes possible the pretense that the bill is entirely the work of Congress. And in this case even the most important details were omitted—blank spaces were left in the original drafts—such as the maximum number of hours in the working week and the minimum wage. The Administration has insisted in conferences on the bill that the hours be thirty-five and the hourly wage forty cents. But there is a fairly strong sentiment for thirty hours.

Even that fundamental dispute will not unduly delay passage of the bill. There is an election next year, and of course all the House and one-third of the Senate have eyes for that alone. Thus, this new Administration reform comes at exactly the right time for the campaigners, particularly the campaigners against the Supreme Court plan. They have been hearing from home ever since the President boxed the high court's ears, and what many of them have heard and are still hearing has convinced them that they are dangerously far out on a limb. Until the wage-and-hour bill came along, great was the consternation among those who saw an election just ahead.

Now, however, their worries are dissolving in the light of a fine idea. They figure this way. The new measure is the major project of this session. Indeed, it is probably one of the most important bills of the Administration's entire career. Therefore it can be the perfect band-wagon on which to ride into the elections of 1938. A vote for the bill is a vote for Roosevelt. A vote for Roosevelt is a vote for themselves back home. On the stump they will so blow up their vote for the wage-and-hour bill that those who cast the ballots will forget about the candidate's opposition to the court plan. But it may not work out just that way. James A. Farley has his doomsday book well filled with the names of those who have squawked out of turn about the court plan. If he does what he has indicated that he plans to do, the unhappy candidates will find themselves shorn of the Administration's support. In fact, some of them are quite likely, certain Senators in particular, to find the electorate reminded of their desertion of the "cause," and the reminder will be inspired by James A. Farley.

As for the bill itself, in one of its most doubtful aspects it takes advantage of certain words in the Hughes opinion in the Jones and Laughlin Wagner Act case whereby the government would be empowered to eliminate from the market goods produced by intrastate industry. The authors of the bill assume from Hughes's language that if goods (not services) so produced compete with identical goods moving in interstate commerce, then the former acquire the same status before the law as the latter. That the court would so interpret the situation is not certain. The drafters of the wage-and-hour bill are playing a long shot. That being the case, it becomes clearer why the President continues to insist upon his court plan. That he will compromise is generally admitted but not to the extent of leaving the court as it is at present. Any way you look at it, the court plan and the wage-and-hour bill cannot be divorced.

Henry Morgenthau, Jr., has a tiger by the tail. Its name is gold. And there are more rumors floating between Wall Street and Washington as to what the Treasury will do with the beast than there are keyholes in a hotel. The tickers hint almost daily of a forthcoming "new gold policy," but the new policy fails to appear. Frankly, no one, not even the best heads in the Treasury, knows the answer. Purchases of gold—we take all comers regardless—since the last week in December have passed the $700,000,000 mark and are still rising. The gold is of no actual benefit to anyone save the seller. The Treasury, following a kind of "dust-to-dust" theory, carts the metal out to Fort Knox, Kentucky, and tucks it away in the world's biggest safe-deposit box. There, at least, it is prevented from becoming the basis of an enormous credit inflation, but this gold buying is one of this government's most luxurious and expensive undertakings. It is costing, at the present price, about $1,500,000,000 per year. True, we have the gold, but we don't use it, and we buy it at $35 an ounce—a price which many believe cannot be maintained indefinitely. When it is finally reduced, the Treasury will take an enormous loss. Reducing the price would also raise merry hell with commodity prices. And the farm representatives in Congress are as bitterly opposed to that as they are heartily in favor of reelection. There is a rather insistent demand that the President call an international monetary conference. In fact, Representative Martin Dies of Texas has a resolution in the House requesting the President to do so. But

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the position of the Congressional money experts is that a monetary conference would be as futile as disarmament conferences have been unless the country puts its money system in order before sitting down at the conference table. The Treasury is none too comfortable about the whole problem. Neither is Congress, but even opponents of the gold-buying program, including Senator Vandenberg of Michigan, confess publicly that they haven't the slightest idea what to suggest as a substitute.

Secretary Morgenthau is credited by those who know his work intimately with doing an excellent job in the Treasury against terrible odds. He runs the department with as little politics as possible and insists upon that principle with considerable success. Unstinted praise is given to him by associates who are not trying to butter their bread. These people say that Morgenthau is the only man in the Cabinet who doesn't pull his punches when talking government finance to the President. He stalks into the White House, brushes past the ultra-violet Marvin McIntyre, and on into the President's office. "Frank, you just can't do that. We can't afford it." That is a paraphrase of his attitude, and his associates say that Morgenthau has done more than any other Cabinet member or high official to keep the Administration's financial feet close to the ground. Morgenthau is genuinely interested in setting up a system of taxation that will really work, and he has brought to Washington as his expert as able a tax man as could be found in the country—Roswell Magill of Columbia University. The Secretary has put the whole job of tax reform on Magill's shoulders and told him to go ahead. Magill, as Under Secretary of the Treasury, will have a completely overhauled tax system to present to Congress this fall, and it can be said that it will not include the present system of hidden and nuisance taxes. He is strongly averse to the increasingly long list of excise taxes which are renewed from year to year simply because Congress is unwilling to face taxation realistically and put the burden where it belongs. Magill takes the position that income, gift, and inheritance taxes, along with those on liquor and tobacco, should be the backbone and practically the sole support of the federal government. They should be so set up that when revenues increase beyond demands they can be lowered and vice versa. In other words, he would have a basic tax system which does not originate in a Congressional convulsion every two or three years, with every revision becoming more and more complicated so that in the end you reach the point of diminishing returns because even the Bureau of Internal Revenue can't unwind the complications and administer the law efficiently. The present American tax-law tangle exceeds even that which inspired the story about the English set-up. They tell the story in London about the fellow who received his tax blanks, and having looked them over thoroughly and being unable to decide just what it was he was supposed to do, returned the tax forms to the government with the words: "Having looked over your application blank, I don't think I want to join." If Magill has his way we can expect a tax system that will not turn up $600,000,000 short on revenue estimates, as the present one has just done.

Hitler's Spies in Spain

BY H. C. ENGELBRECHT

THREE days after the outbreak of the fascist rebellion in Spain last summer, the government militia began a search of Nazi headquarters in Barcelona. They discovered tens of thousands of documents left behind in the wild flight of Nazi agents. A few were published by the *Manchester Guardian* and other papers, but these samples merely hinted at the rich mine which remained to be worked. The complete story has been told by Franz Spielhagen in "Spione und Verschwörer in Spanien" (Paris, Editions de Carrefour).*

Here for the first time we are taken behind the scenes of Nazi intrigue in other countries, and the documentation is so complete that doubt of that intrigue is no longer possible. The evidence is contained in word-for-word quotations and in numerous photostats. Here is a primer of Nazi methods which the citizens and officials of democratic countries should study well. Spain was the locale of this particular endeavor, but the same technique is pursued throughout the world, and one has only to read with an American locale in mind to realize the significance of the revelations. The documents disclose the names of the Nazi organizations which carry on subversive work, how their efforts are financed and what sums are expended, how the secret agents operate, what methods are employed in smuggling in propaganda material, and what is the function of German business firms, shipping companies, newspapermen, travel bureaus, and the diplomatic corps and consuls in these underground activities.

The Nazis began to work in Spain in 1930. Since Hitler had not then come to power, state funds were not available for propaganda. The beginning was therefore modest: an agent was placed in Portugal whose field of operation was the entire Iberian Peninsula. But the year 1933 marked a turning-point; the Nazis were victorious in Germany and Lerroux and Gil Robles in Spain. To solidify friendly relations with Hitler, Gil Robles attended the Nürnberg congress of the Nazi Party in 1933. From this time on the Nazis made great progress in Spain. Before long they had organized fifty local units on the Spanish mainland, in Spanish Morocco, the

*"Spione und Verschwörer in Spanien" by Franz Spielhagen may be purchased at the Moderne Deutsche Buchhandlung, 250 East Eighty-fourth Street, New York.

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Balearics, and the Canaries. These Nazi cells became the nuclei of other German groups recruited from churches, schools, labor, and women. The Nazis also maintained close contact with like-minded Spanish circles. The leaders of the Nazi groups were careful not to appear as foreign propagandists. All of them held positions in German business firms, being either agents of established companies or at at the head of businesses of their own which they had founded to serve as a front for their real activities. They stored their propaganda material in their office filing cabinets.

Early in 1936, when it appeared probable that the Popular Front would be returned to power, the Nazis went underground. Orders went out that all correspondence must be written on plain paper bearing no letterhead and that all Nazi affairs must be discussed in terms of business transactions. It is not difficult to understand what would be meant by the following: "The very popular meetings of our customers must be restricted, so that our competitors may not get an insight into our business practices." Official titles in the party were omitted entirely, both in the address and in the greetings of letters; postcards were forbidden. All Nazi cells were notified that they were part of an "association formed for the purpose of keeping its members informed as to the cultural, artistic, and political developments in Germany." This was their story and they must stick to it. From this time on a vast correspondence dealt with "customers," "our new stock of goods," "the new manufacturing methods of our competitors," and similar matters. In preparation for any eventuality, all "front fighters"—that is, Nazi hooligans—were ordered to report by June 15, 1936, and to be ready to aid their Spanish comrades.

These Nazi cells had the aid of various groups in Germany, including the Foreign Office, the Labor Front, the Propaganda Ministry, the Fichte Bund, and the Gestapo. All these poured money into Spain, and most of them had their own separate agents at work there. For the year 1935 sums totaling 3,000,000 pesetas are listed in the documents discovered as having been expended in Spain, but this list omits the contributions of the Luft Hansa and the shipping lines in free transportation of Nazi agents and propaganda material, the cost of printing the pamphlets, handbills, and books, the moneys diverted from relief and war-memorial funds, the contributions made to German churches and schools, and other items. These sums add up to far more than 3,000,000 pesetas for the year.

How did this well-financed organization work? Its chief spy agency was the Harbor Service (*Hafendienst*), which is under the control of the Gestapa, the Secret Police Bureau. This Harbor Service has nothing to do with the sea or with shipping; its headquarters are in Berlin, and other offices are in Paris, Zurich, Prague, and Brussels—all inland cities. The name is merely a cover for espionage work. The reports of the Harbor Service reveal the dogged hounding of Germans abroad. Everybody was under observation—German tourists, the crews of German ships and airplanes, German churches, German newspapermen, German business firms, the German Automobile Club. If any German abroad made a derogatory remark about the Nazis or failed to show the proper enthusiasm for the new order in Germany, he immediately found himself in trouble. Close attention was also paid to Spanish politicians, hotels, newspapermen, and, above all, to Jews and Freemasons.

In spite of all this espionage some anti-Hitler Germans in Spain persisted in their adherence to Otto Strasser's Schwarze Front, with headquarters in Prague. The Nazi spies decided to place one of their men in this opposition group and did it in a way that simple and trusting anti-fascists everywhere may well remember. One of them subscribed to Otto Strasser's paper and ordered his books and pamphlets. In due time the German anti-fascists in Spain were notified from Prague that there was a new "sympathizer" with whom they ought to get in touch. They looked him up, admitted him to their ranks, and opened the way for the persecution of the entire group.

Smuggling propaganda material into Spain was one of the chief tasks of this spy service. It was easy enough since the consuls and diplomatic officials were compelled to cooperate—most of them, indeed, needed no coercion. Only small bundles were brought in. Some were addressed to the embassy and were thus immune from inspection; others were made part of a ship captain's manifest, which was never searched. As soon as a ship or a plane landed, consular or diplomatic officials took possession of the package. The embassy and the consular offices were frequently used as storage places.

The Nazis had fifty men in Spain to deal with the press and the other media of propaganda. First and foremost their attention was devoted to the press. Every newspaper was entered in a file, together with the names of the editor, the owner, and the financial backers, its circulation, its political orientation, and its attitude toward Nazi Germany. This file listed twenty-two papers as "friendly to Germany," including *ABC, Epoca, Renovacion,* and *Informaciones.* All monarchic, Catholic, and reactionary papers were in this group. Gil Robles's *Informaciones* had this notation: "Can be considered the mouthpiece of Germany." Its financial backer was given as Juan March. The weekly *Aspiraciones* was reported as the "organ of a Catholic organization of 40,000 women, which is carrying on a bitter fight against the Jews and Freemasons." This paper was suppressed later, but the "young ladies immediately founded another journal and called it *Lealtad.*" All German business groups in Spain were asked to aid this paper with their advertising. It is worth noting in view of present developments that even in 1932 a Nazi press agent reported concerning the leading Portuguese journal: "The official government organ is completely in my hands."

The chief of this press supervision was a man known as the correspondent of the *Deutsche Wochenschau* a post which he himself characterized as a "camouflage maneuver." He operated by establishing connections with a Spanish news agency, the Servicio Prensa, which placed in the Spanish press the articles and news items he furnished. Whenever a Spanish paper published an article, it paid 5 or 10 pesetas for it ("this is necessary for reasons

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of camouflage"), but in return received a "tip" (the word used is actually *Trinkgeld*) of at least 250 pesetas—this was the sum paid to the small provincial papers. All these financial transactions were carefully covered up; in many cases the embassy or the consuls handled the money. One is reminded of the corruption of the French press by the Russians before the World War.

These tactics were increasingly successful. In 1934, 164 propaganda articles were placed in 30 papers; 1935 was much better, with 86 articles in 25 papers in the first four months. During the Nürnberg congress of the Nazis in September, 1935, 145 items in one month made a record. The cost of this was 22,450 pesetas. In order to make newspapers more receptive to this press service, the full power of concentrated advertising was put to work. All German business in Spain had been coordinated, and Jews and Freemasons had been removed. Through their own advertising agency the Nazis placed all German advertising with the "right" papers. The impact of this centrally controlled patronage was considerable. Sometimes Spanish papers issued special German numbers, demanding ads from German business in return.

After the press in importance came traveling lecturers, Nazi films—generally shown privately—weekly Spanish broadcasts from Germany, and the translation of German books. There is a good laugh in the letter which reports that Goebbels's book "Vom Kaiserhof zur Reichskanzlei" could not be placed with any Spanish publisher. Goebbels demanded huge royalities, while the Spanish publishers asked subsidies, since "this was obviously propaganda." The press bureau bemoaned this "regrettable fact."

Supporting the press bureau were the Fichte Bund, the German travel agencies, the Ibero-American Institute, and other organizations. The Fichte Bund—the name is a savage irony on the Jacobin socialist philosopher—deserves special attention. Its membership is made up of non-Nazis, but it is an important cog in the Nazi propaganda machine everywhere. In 1935 it sent out 5,000,000 copies of 75 pamphlets in 64 languages and tons of books. It is one of Rosenberg's most effective agencies.

Another task set for the Brown Network in Spain was industrial espionage. It kept records of 734 German and Spanish firms and knew exactly what they were doing and whom they employed. The purpose of this was twofold: first, to prevent the industrial development of Spain, so that this good market for German manufactured goods would not be lost. Anyone who aided Spain in developing its own industries was a "traitor to Germany," and harsh measures were adopted against him. If he was a German citizen, he was recalled to Germany and dealt with according to his "crime." Secondly, the Nazis wished to discover undeveloped mines of iron, copper, and other metals and to get control of them. Many of the moves of Franco's German-dominated army have been merely a continuation of this program. The industrial spies also watched closely every official step to ease commercial arrangements between Spain and other countries, and any move tending to take trade away from Germany was sabotaged. It is interesting to learn that there are 600 of these Nazi industrial spies spread over the face of the globe.

Spanish Morocco was of special interest to the Nazis. In this small territory they established four cells—in Tetuan, Melilla, Ceuta, and Larache—from which they poured their anti-Semitic, anti-French, anti-British propaganda into French Morocco and points east. "The Jew is devouring you as vermin devour sheep, and France is his protector." "From India to Egypt and on to the frontiers of Sus in Morocco, the borderland of the Great Desert, everything is in ferment. How far have things gone when . . . desperate Arabs cry out against Jews and Frenchmen, 'Long live the Germans'?" As a result anti-Semitic, anti-French, and anti-British movements were generated in the Arab world. The Arab press was so responsive to Nazi money that its demonstrative friendliness to Germany caused apprehension. "Such open pro-German sympathies will certainly be attributed to German activities."

No move was against the rules in this diplomatic game. In 1935, for instance, a group of Germans in Tetuan signed a protest against French discrimination in Tangier. The protest was forwarded to Berlin, and the German Ambassador in Paris made official representation to the French Foreign Office about the matter. But these documents show that the entire affair had been cooked up in Berlin. Even the text of the protest had been forwarded to Africa by the Ribbentrop Bureau in Berlin.

As we draw closer to the outbreak of the rebellion, we find the Nazis beginning to smuggle arms into Spain. This was done under the guise of potato shipments. Strange that firms dealing in windmills, telescopes, and steel goods should suddenly enter the potato business! Every now and then a little slip occurred in the correspondence, and "early potatoes" and "steel goods" got a bit mixed. What was happening was that the *pistoleros* of the Spanish Falange needed guns for their rioting. The record shows that a single Nazi agent delivered 492 pistols with ammunition to a Madrid group, and there were many agents at work. Orders for rifles were also placed. Aircraft salesmen appeared in Tetuan, headquarters of both the Nazis and General Franco.

The documents dating from this period contain many references to the close contact between the Nazis and the Spanish fascists. Among those counted as allies are "our good friend, General Goded," who failed to take Barcelona and was executed; General Hillan-Astray, leader of the Foreign Legion; a high official in the War Department; the reactionary Governor-General of Catalonia, Escalos; and others. Frequent notes of rejoicing make their appearance, too: "We're sitting pretty now"; and "The realization of our desires is near at hand." The Spanish Ambassador in Berlin assured the Nazis that all would go well "in matters concerning the export of potatoes."

But "all did not go well"; the revolt so carefully nurtured failed in half of Spain. The role of the Nazis in its preparation is clear from their own records. Their purpose, in addition to spreading fascism and obtaining military raw materials, was clearly expressed in a 1935 memorandum of the Nazi press bureau: "One look at the map will show the strategic importance of Spain in a war between Germany and France."

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The New German Ambassador

BY E. B. ASHTON

THE fear of fascism, hitherto confined in America to liberals and Marxists, has lately spread to other quarters. It has even struck Senator Borah and Ambassador Dodd, whose warning voices were raised, ironically enough, just after some of the most progressive members of Congress had taken the lead in killing a proposed House investigation of Nazi propaganda in this country. To be sure, a repetition of the abortive 1934 investigation of "un-American activities" would only help the forces it was meant to check; but it seems doubtful whether we can safely continue to ignore an attack on our democracy from the very source which today is threatening the last vestiges of democracy in Europe. This attack fits too well into the plans of our potentially anti-democratic elements, which are more numerous than they appear to be in a period of prosperity. We can ill afford to let Berlin forge weapons which the Liberty League and the National Association of Manufacturers will later find useful.

A recent event gives immediate emphasis to the constant need for vigilance. On May 14 the German government sent a new Ambassador to the United States. Dr. Hans Luther, who was replaced by Dr. Hans Heinrich Dieckhoff, was no Nazi either in name or in spirit. His appointment to Washington had been the price for his resignation as president of the Reichsbank to make way for Dr. Schacht. In this country he made a good diplomatic record, but he did not build up in influential sections of American opinion the pro-Nazi sentiment which the Reich needs—and which in England, for instance, Herr von Ribbentrop, has succeeded in creating despite his notorious lack of tact and diplomatic grace. Why Luther failed in that respect is obvious: he did not stoop to Nazi tactics, he did not sponsor a publicity machine, he did not seek out our economic royalists and extol to them the blessings of Nazism. He left the dirtier jobs of a totalitarian embassy to the underlings who in reality were put there to spy on him, and he attended to his duties with a discretion which ingratiated him with Americans but naturally did not satisfy his superiors. For Berlin does not really care about correct diplomatic relations. What the Nazis most desire is an American branch sufficiently influential to offset the condemnation evoked by almost every act of Hitler's Reich.

To close the American gap in Germany's international line of defense will be no easy task. The man for the job was carefully chosen. Dr. Dieckhoff had been for three years in charge of the Anglo-American Division of the German Foreign Office, and since last summer its Secretary of State. He holds no membership card in the "National Socialist German Workers' Party." This fact, wholly irrelevant in Germany, is already being played up here to allay the normal American suspicion of any envoy of Hitler's. His experience as a career diplomat will help him to avoid the *gaffes* which have marred Ribbentrop's ambassadorial successes and which here would hardly be dismissed with the amused tolerance of the English. But Dieckhoff, who is Ribbentrop's brother-in-law and diplomatic mentor as well as Hitler's personal choice, is thoroughly familiar with all the newer methods of furthering German policy abroad. First among these is to perfect the cooperation between the German Embassy and the Nazi field organization in the country under cultivation. What is done by the German government must coincide with what is done by the Nazi Party. Only such coordination can produce the concentrated and efficient Nazi propaganda which in Austria and Hungary has been openly directed at the overthrow of the existing governments, which brought the blessing of full-fledged Nazi movements to Rumania, Switzerland, Holland, and Belgium, and which turned powerful political groups into Nazi allies in such former enemy countries as France and Great Britain.

If further proof is needed that Herr Dieckhoff represents the latest in German "diplomacy," we can look at his successor in the Wilhelmstrasse. Hans Georg Viktor von Mackensen has not only the distinction of bearing the name of Germany's cavalry idol; as German Minister to Budapest he directed a Nazi conspiracy that came close to upsetting Premier Daranyi's regime. When the coup failed, its guiding genius was of course withdrawn, but his transfer to Berlin was not a "kick upstairs"; it was a legitimate promotion for a man who had shown himself worthy of greater opportunities. There is no reason to believe that the orders issued by Mackensen will vary from the ones he has so faithfully executed. In fact, current gossip in Berlin indicates that the Mackensen policy will probably be marked by an intensification of the combination of ideological crusade and brutal *Realpolitik* which, under rules laid down years ago in "Mein Kampf," has been Hitler's foreign policy ever since his rise to power. Mackensen went to Berlin to direct the technique he had formerly applied in the field, and Dieckhoff has come to Washington to take charge in a sector where the technique, so far, could not be effectively applied.

Here only harmony of personnel is needed to begin operations immediately. Nazism abroad seldom seeks to become a mass movement. Its objective is a numerically small but thoroughly disciplined organization of reliable men in strategic positions, who can influence or, if necessary, coerce other and larger groups in the direction set by Berlin. Sufficient man-power is provided by the Germans themselves, who are completely *gleichgeschaltet* and often hold places of great social and economic importance,

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and by those German-born Americans who either perjured themselves when renouncing allegiance to "any foreign prince, potentate, state, or sovereignty" or were enticed into the Nazi fold after their naturalization. Today probably not more than a few thousand American citizens are actually taking orders from abroad. But the effect of their activity is to be seen in the attitude of millions of "racial comrades" whom the Third Reich counts as legitimate subjects of Adolf Hitler. In America the aims of the Germans are quite different from those that they pursue among their "little neighbors" in Europe. The Nazi goal in America is to influence our foreign policy in such a way that the United States will not interfere with German plans to capture the governments of other countries abroad.

Ready for the drive to bring "Germany abroad" under Nazi direction is a highly efficient organization in this country. Four years of industrious work by the Spanknöbels and the Kuhns have not been fruitless. SA and SS units and a branch of the Gestapo have existed for a long time. The members are drilling in their own camps, and if they are not armed yet they will be as soon as their leaders believe it can be done without adverse effects. They are already gaining in self-confidence. Only a short while ago, when the discovery that they were wearing uniforms created something of a stir, they had the impudence to cite the example of the American Legion and similar associations in support of their right to wear uniforms denoting allegiance to a foreign power.

But a field organization can function smoothly only when it is supported and supplemented by the diplomatic office. Governmental and social standing, uncontrolled disbursement of funds, safety of communication, and all the other emoluments of diplomatic immunity are invaluable factors in a campaign such as the Nazi are waging. Over here until now Hitler's expeditionary force has been handicapped not only by American resistance but by inefficient use of its own resources. Under Luther, though his lieutenants did the best they could, perfect teamwork could not be achieved. The arrival of Dr. Dieckhoff, who brings to his post the experiences of Ribbentrop, Mackensen, Papen, and all the other streamlined Nazi envoys, marks the beginning of a new era in fascist propaganda in America.

Latin America: Boycott Fascism!

BY G. ARBAIZA

IT WAS to be expected that the Spanish-speaking peoples of the Western Hemisphere, who have always boasted of *la raza,* would be stirred by the foreign invasion of Spain and take a stand against it. Yet, with one exception, the republics of Spanish ancestry have remained silent, and the champions of "the race" throughout Latin America have not raised a finger of protest now that nearly two hundred thousand Italians, Germans, African Moors, and other mercenaries are tearing Spain and "the race" to pieces. The reason for this silence is not indifference. It is suppression.

The fascist invasion of Spain has split Spanish-speaking America into two camps. The great majority of the ruling classes are for the invaders. The government of only one country, Mexico, has supported the Loyalists. Most of the others are at bottom pro-fascist, even though they hide their proclivities behind a pretense of "absolute neutrality." The well-to-do creole classes are praying for Franco.

Side by side with the rulers stand the political and military cliques, the Catholic church and its hordes of female bigots, the greater part of the press, venal editors and intellectuals, large local and foreign business interests, feudal sugar and cotton planters, degenerate tropical hidalgos that trace their lineage to the monarchist Spain of past centuries, European immigrants and adventurers who have married into the local bourgeoisie, and the first crop of Latin American fascists. They are heart and soul with Franco and his allies. They have all united in preventing the majority of the Latin American people—students, workers, professionals, writers, artists, teachers—from knowing what is happening in Spain and from expressing themselves on the tragic issue. The only activity permitted in some countries has been the collection of funds for the victims of the war, and the feeling shown by the people with this excuse in Buenos Aires, Montevideo, Havana, and other cities leaves no doubt about the strength of anti-fascist sentiment.

Suppression of news favorable to republican Spain is general in the wealthy newspapers of Peru, Brazil, Cuba, Venezuela, Guatemala, Ecuador, and other lesser countries. One finds an impartial presentation of news in the journals of Argentina, Uruguay, Chile, Mexico, Colombia, Panama, and Costa Rica, even if the undertone is in many cases pro-fascist. Many people in Latin America do not know as yet that the Italians and the Germans are fighting in Spain. Editorially, the Latin American press is applauding the invasion or condoning it or taking a cowardly refuge behind "neutrality."

President Roosevelt at Buenos Aires appealed to Latin America in the name of democratic government to help avert the catastrophe that impends in Europe and that we know the fascist powers are doing their best to bring about. The answer to this appeal is to be found in the attitude taken by the great majority of the Latin American rulers and ruling classes toward the Spanish issue. They have revealed themselves as potential allies of fascism in this hemisphere; and in one country at least, Brazil, there

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is a promising crop of tropical fascists, a million strong, partly financed by German and Italian bankers and entrepreneurs.

The thing seems logical after all. If the coming struggle is to be between democracy and dictatorship, on which side would you expect to find fifteen Latin American dictators? The only countries free from dictatorship today are Colombia, Costa Rica, Mexico, and Panama. Out of nineteen rulers, twelve wear epaulets—General Justo in Argentina, Colonel Toro in Bolivia, Colonel Batista, de facto dictator in Cuba, General Trujillo in the Dominican Republic, General Ubico in Guatemala, General Carias in Honduras, General Somoza in Nicaragua, General Hernandez in El Salvador, General Benavides in Peru, Colonel Franco in Paraguay, and General Lopez Contreras in Venezuela. Add to this list four red-hunting dictators—Vargas of Brazil, Alessandri of Chile, Paez of Ecuador, and Terra of Uruguay—and you have the most formidable cordon of dictatorships Latin America has had in recent decades.

Most Latin American dictators fear that a Loyalist victory in Spain may encourage their political enemies or local radical elements to undertake organized rebellion. A Socialist Spain would be a living example and a source of Socialist literature to Spanish-speaking America. Only recently the governments of Argentina, Brazil, and Chile, at the instigation of Rio de Janeiro, were planning joint measures to prevent the landing of Spanish "leftists" from Spain seeking asylum in South America.

Many of the dictators have borrowed Nazi methods, and have spread the Communist phobia in their own countries. The dictators' political enemies are no longer *revoltosos* but *rojos;* and they are rounded up and thrown into jail or exiled because of their "communistic ideas." Some of the dictators have enacted laws barring "Communists" from the suffrage and making it a criminal offense to profess "communistic" or "other dangerous ideas." Secretary of the Interior Cabrera of Chile admitted last year that negotiations had been in progress among South American countries to act jointly to "drown such ideas." *El Imparcial* of Santiago, Chile, has been urging Latin American countries to join the anti-Communist front of Germany and Japan. This phobia has been particularly virulent in Brazil, Peru, Venezuela, Guatemala, and Ecuador, where it has had thousands of victims, many of whom probably never knew or had a chance to know what communism is.

Recognition of Franco by Guatemala, Nicaragua, and El Salvador has rather damaged his chances of being recognized in other more important countries. The recent virtual rupture between the Valencia government and Peru illustrates the hidden hostility against republican Spain which prevails in official Latin America. The Peruvian consul at Valencia, Ibañez, was arrested a few days ago by the Spanish authorities, charged with operating a secret wireless station in the consulate building and giving shelter to suspicious refugees, many of whom were detained. After an angry Peruvian protest, Valencia placed Spanish affairs in Peru in charge of the Mexican representative, and Lima is dealing now with the former Spanish minister, Avilez, who still occupies the legation building and has gone over to Franco. The Peruvian dictator, Benavides, a classic *cuartelazo* colonel, is perhaps the most rabid and amusing anti-Communist in South America. His latest piece of anti-Communist legislation, his Ley de Seguridad Pública, groups among Communist crimes even the shooting off of fireworks.

What is happening in Spain is of more than racial concern to South America. While everybody expected the Rome-Berlin partnership to strike east, toward "the grain fields of the Ukraine," it has actually struck west, toward Gibraltar. Spain has mineral resources—iron, copper, mercury, and manganese—and Germany and Italy want these as well as the Spanish market. But when Nazis and Fascisti planned a fascist Spain and equipped Franco, they had larger designs. They wanted to get at the British position in Gibraltar from the rear and create a new military threat to France on its southern frontier. Thus 200,000 Loyalist Spaniards are fighting England's battle by keeping Franco's armies from turning toward Gibraltar, just as they are fighting France's by blocking Franco's way to the French frontier. The British proposal for a truce and withdrawal of foreign troops was only an attempt to get rid of the menace to Gibraltar. When the Italians landed in Majorca, they made another move in a game whose ultimate purpose is to break down English naval power in the Mediterranean.

However, the Italian challenge goes beyond the Mediterranean. It points to the Atlantic. The new Italian naval program provides for an expanded fleet with a cruising range great enough to operate in the Atlantic; the German-Italian partnership seeks to dominate not only the Straits of Gibraltar and Spanish Morocco but the Canary Islands, a strategic base commanding the sea route between Europe and South America. What, then, is the aim of a fascist armada powerful enough to cruise the Atlantic?

In the first place, to intercept and harass or destroy British trade with South America if the fascist challengers break through Gibraltar. In case of war Great Britain would be largely dependent on grains and beef and mutton from Argentina, a source of food supplies more accessible than Australia. Argentina fed the Allies right through the World War. This carries the fascist arrow of possible aggression across the Atlantic to the mineral and pastoral wealth of South America, whose exportable resources are now under the dual control of Great Britain and the United States, the two powers that hold a commanding position in South American commerce, investments, shipping and trade routes. If the fascist arrow tears this line that links South America to Great Britain, Germany and Italy will move swiftly toward economic supremacy in the southern continent. That is how fascism may come to the shores of South America. So the soldiers of republican Spain may be fighting now not only England's and France's battle but also South America's.

In the meantime the immense inarticulate majority of Latin Americans who would help the Spanish republic but find themselves besieged by fascist propaganda and "neutral" silence are badly in need of enlightenment

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about the events and the implications of the struggle in Spain. An information bureau on the Spanish war, set up in New York or Mexico to distribute literature in the other southern countries, would be welcomed by millions of their inhabitants. But Latin Americans who have been aroused by the fascist massacre of Spaniards, and the many others who would be if they knew the truth, have at their command a practical way of registering their protest and making it effective. *Let them boycott en masse the trade and traders of Germany and Italy in Latin America.* Nothing could be better calculated to restrain their murderous intervention in Spain.

Consumers on the March

BY COLSTON E. WARNE

I

A QUICKENING interest in consumer movements has been noted in the past four years. Cooperatives have expanded. Buying groups have been formed. Consumer testing bureaus have grown. Protest bodies have been launched. Consumers' strikes have occurred. The government has set up consumer advisory boards. Popular magazines have featured articles on the long-established cooperatives of Europe. Never has there been such a wave of enthusiasm "to do something for the consumer."

Few attempts have been made to analyze this profusion of recent consumer developments. Many have discovered the consumer; not all are agreed on just what to do with him now that he has been discovered. As a result conflicts exist today in the consumer movement which are reminiscent of struggles in the labor movement.

In this struggle of competing ideas, it is possible to evaluate several types of organization participating in the recent development. We have first the consumers' cooperatives which for more than a half-century have been seeking to establish the Rochdale idea in America. Local stores owned by consumers and run by democratically elected boards of directors sell goods at market prices to members, refunding "profits" on the basis of purchases after paying interest on the members' investment and setting aside suitable reserves. More than 6,500 of these local consumers' societies were reported at the end of 1935. They were federated into nine wholesale societies and capped nationally by the Cooperative League of the United States, with its headquarters in New York City. The cooperative movement is seasoned. It is built upon a wide experience here and abroad. The store organizations have followed a somewhat traditional pattern, registering a steady though not spectacular growth. Expansion has lately been marked in several new fields. Gasoline stations, restaurant chains, housing projects, credit unions, and insurance societies have been formed. Agricultural groups have been especially active, frequently utilizing in the consumer field the experience and the capital which they have gleaned from successful cooperative-marketing undertakings. The extension of the urban movement has been much more difficult owing to the weakness of trade unionism, the domination of the chain store, and, perhaps most of all, the lack of homogeneity of the population.

The Cooperative League has modified its policies in step with these developments. Up to the advent of the New Deal it had, despite some sharp dissent, been set on a doctrinaire course by its philanthropist president, James Peter Warbasse, who held fast to the idea that the Rochdale societies alone would some day in a fair and free battle usher in the cooperative commonwealth. With the appointment of E. R. Bowen as secretary of the Cooperative League, the large agricultural cooperatives which bridged across into the consumers' field were actively courted and a number of them brought into affiliation. The league's organ, *Consumers' Cooperation,* came to reflect a more tolerant attitude toward political movements and especially toward cooperative enterprises which would not meet squarely the test of Rochdale orthodoxy. Buying clubs and national cooperative mail-order houses came to be sponsored. The propaganda work of the league has vastly improved.

Possibly the most spectacular consumer-protective development of recent years has been the rise of testing laboratories to assess the merits of competing merchandise. Stuart Chase and F. J. Schlink first brought popular attention to this field in their book, "Your Money's Worth," published in 1927. They demonstrated the inability of profit-seeking business to bring quality goods to the consumer at reasonable prices and noted the failure of the government either to specify quality standards or to give the consumer sufficient information to enable him to protect himself. Consumers' Research, which they founded, met with wide popular response, developing in seven years a subscription list of more than 50,000 and, despite the confidential features of its service, an audience much larger. The writer is reluctant to discuss Consumers' Research, since he is associated with an organization that might be considered competitive. But because of CR's important and pioneering role, it must be considered in an analysis of consumer movements.

Consumers' Research was a fresh idea; for a time even its sponsors scarcely knew what to do with it. The cooperatives, after some hesitation, sought to ally Consumers' Research with their cause. Only the individualistic tendencies of F. J. Schlink, dominant figure in Consumers' Research, prevented a close alliance. The crudeness of the early technical articles in Consumers' Research soon disappeared. By 1933 the publication was well con-

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sidered by thousands of readers and thoroughly hated by advertisers.

It was at about this time that a new note was struck in Consumers' Research. It had previously been dedicated to one main objective—that of debunking false claims and analyzing branded products. Its director had, to be sure, clashed with the Bureau of Standards and with engineering groups. For a brief period it flirted with the idea of fostering a parallel organization to market tested articles on a cooperative basis, thus giving consumers an opportunity to put into practice the ideas which they had gleaned from the bulletins. This was finally rejected. In 1933 Consumers' Research opened a new chapter. It harshly condemned the Consumers' Advisory Board as a blind to lessen consumer objections to the monopolistic trends in the NRA. Condemnations of fascist trends in capitalism appeared in the *General Bulletin* of the organization and in a book sponsored by it, "Partners in Plunder," by J. B. Matthews, a CR director. In contrast, its more recent turn to the right is well known. Matthews's later book, "Guinea Pigs No More," contains a sharp attack on labor organizations and Communists. His article in the *Atlantic Monthly* for December, 1936, upheld "private competitive enterprise" as the "best available servant of consumers' interests."

Thus it is difficult to appraise Consumers' Research. It has pioneered in consumer testing and has done a great amount of competent work. It has, however, been an isolated organization, with an eccentric director, a shifting personnel, and unpredictable policies. The strike at Consumers' Research in the fall of 1935 was the climax of years of conflict within the organization. As a result of the strike, it lost several of its leading staff members as well as many liberal supporters. The direct assault on the cooperative movement by J. B. Matthews in the *Atlantic Monthly* article referred to has not helped its relationships with that branch of the consumer movement.

The only other national consumer testing organization is Consumers Union of United States, launched in February, 1936, in New York under the direction of Arthur Kallet, author of "Counterfeit" and coauthor with F. J. Schlink of "100,000,000 Guinea Pigs," and Dewey Palmer, former head of the technical department of Consumers' Research. Working with Kallet and Palmer are many former staff members and technical consultants of Consumers' Research, together with a large additional number of technical authorities in various fields who have offered their aid to Consumers Union. The writer is an officer of this organization.

Consumers Union does not aim to furnish technical information of exactly the type which Consumers' Research has offered. A main purpose is to reach those on the lowest income levels. A special low-priced edition of the CU *Reports* is issued, and further reductions are made possible through group membership. In addition, it aims to establish a fairly close alliance with the labor movement by including in its bulletins whenever possible an assessment of the labor standards under which articles are produced. In twelve months of publication Consumers Union has built a membership of more than 40,000 and gained a wide audience for its monthly *Consumers' Union Reports*. Efforts to secure group subscriptions from labor and cooperative organizations have been successful. An annual Buying Guide is included in the year's subscription.

The mail-order cooperatives are the third type of consumer organization. Of these, Cooperative Distributors, of New York City, is the largest. It was launched in 1932 by E. J. Lever, a former vice-president of Consumers' Research, to sell tested goods by mail on a cooperative basis. From the start Cooperative Distributors proved an unruly child in the cooperative family. Its approach was unique and complex. It branched out in many fields, developing a testing laboratory, launching a publication, the *Consumers' Defender,* and selling goods over the counter as well as on a mail-order basis to members, non-members, and the consumers' clubs which it promoted. These consumers' clubs were organized not only to serve as distribution channels but also to act as agencies to bargain collectively for goods with local merchants. Cooperative Distributors has also fostered the maintenance of union labor standards in the factories from which it buys goods, and has sought to secure legislation for consumer protection.

The problems of this organization have been many. Its quite remarkable growth has been limited by the small investments of its more than 2,000 stockholder-members and by the dues which were for a time paid by its affiliates. Its many clubs have refused, often with justification, to conform to the pattern established by the parent organization. The enthusiasm of its management has frequently brought it into sharp conflict with existing cooperative societies and with the Cooperative League. It launched so many cooperative activities that for a considerable period it failed to fulfil convincingly its main job of mail-order selling of tested goods. Internal conflicts have developed. The organization has, however, an excellent central idea. Many of its problems are being cleared by its present management, and its relationship with the rest of the cooperative movement has distinctly improved. It is now affiliated with the national Cooperative League.

Buying clubs form a fourth channel of recent consumer effort. Such clubs have been springing up by the thousand. Some have been sponsored by the orthodox cooperative movement; some by Cooperative Distributors. Others have been launched quite independently by local groups which have sought to obtain a reduction of two cents in the price of gasoline or fifty cents on a ton of coal by centering their purchases on one dealer. (In most communities it is relatively easy to make such an arrangement.) Other buying clubs have been formed with private wholesalers, who have offered to sell goods in case lots to be delivered at the basement of one of the members. Despite their advantage in reflecting closely the needs of a local group, buying clubs are apt to be short-lived unless they are attached to some cooperative organization.

[*The second part of this article will be printed next week.*]

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Defending Justice in Puerto Rico

BY ARTHUR GARFIELD HAYS

IN THE fall of 1935 five members of the Nationalist Party of Puerto Rico sought to make their way to a meeting which students at the Puerto Rico University were to hold to protest against certain remarks made by Pedro Albizu Campos, the Nationalist leader. The story is that the Nationalists were stopped by the police, that they shot at the police, and that, as a result of the fracas, four of the five Nationalists in the automobile were killed. It was said that they carried bombs and guns.

In February, 1936, Colonel Riggs, head of the insular police, was assassinated by two Nationalists. The assassins were seized and, while in the hands of the police, were shot. Although Colonel Riggs was popular with the Puerto Ricans and was himself a believer in independence, the cold-blooded murder of the two Puerto Rican "martyrs" aroused not only the Nationalists but great numbers of Puerto Ricans who opposed Nationalist methods. Americans thought of the murder of Colonel Riggs; Puerto Ricans thought of the murder of the two assassins.

Albizu Campos and other Nationalist leaders were charged with conspiracy to overthrow the government of the United States and later, in July, 1936, were convicted and sentenced to six years in jail. Governor Blanton Winship apparently felt it was necessary to deal with the Nationalists with a heavy hand and acted to suppress not only those who were militantly demanding Puerto Rican freedom but also a united front of groups opposed to the conviction of Albizu Campos. Parades and meetings of Nationalists and other protesting groups were prohibited. The Puerto Ricans take seriously their Organic Act guaranteeing the rights of free speech and assemblage, and resentment grew apace.

On March 21, 1937, the Nationalists announced that they would hold a parade and meeting in the town of Ponce. A permit was first given by the mayor of the town. At the last moment it was canceled. The insular police commanded by Colonel Orbeta, who was acting under orders of the Governor, prohibited the parade as it was about to start. The national hymn of Puerto Rico was played, the crowd cheered, the parade advanced. Suddenly there was shooting, and when it was all over, it appeared that the casualties were 20 killed—including those who died later, among whom were two police officers—and from 150 to 200 wounded, among whom were 6 police officers.

Governor Winship reported to Washington that several "divisions" of the so-called "Army of Liberation" had arranged a concentration in the town of Ponce; that a parade was forbidden; that nevertheless the Nationalists insisted upon proceeding; that when the command "Forward march!" was given, a Nationalist fired a shot killing a policeman on the left of the chief of police and another Nationalist fired a shot killing a policeman on the right of the chief of police; that shooting then broke out from all sides as well as from roofs and balconies where Nationalists were stationed; and that casualties resulted. He ended his report by commending the patience and consideration of the police.

The leading citizens of Ponce formed a committee of prominent citizens of San Juan and asked that they make an investigation. The proposed commission consisted of Emilio Belaval, president of the Athenaeum, who acted as secretary; Mariano Acosta Velarde, president of the Puerto Rican Bar Association; Lorenzo Pineiro, president of the Teachers' Association; Dr. Manuel Díaz Garcia, president of the Puerto Rican Medical Association; Antonio Avuso, editor of the *Imparciale*; Francisco M. Zeno, editor of the *Correspondencia*; and Davilla-Ricci, assistant editor of the *Mondo*. None of the commission were Nationalists. Request was made to the American Civil Liberties Union to appoint the chairman of the commission, and the writer was so appointed. The commission undertook to investigate not only the events in Ponce on March 21 but the general subject of civil rights and liberties in Puerto Rico.

Hearings were held at Ponce beginning Friday, May 14, and were thereafter adjourned to San Juan. Evidence as to what happened on March 21 was adduced not only from disinterested eyewitnesses but from a series of photographs which tell the story in incontestable fashion. Photographs show that the "divisions" of the "Army of Liberation" consisted of about eighty young men wearing black blouses and white trousers, about twelve girls dressed in white as nurses, and a brass band of about six pieces. The Nationalists, known as "cadets," carried no arms; the girls did not even have Red Cross kits.

A photograph shows the scene just before the shooting. About eighteen policemen, armed with revolvers, shotguns, and tear-gas bombs, stood in front of the line of these eighty boys and twelve girls; about twenty policemen armed with Thompson submachine-guns were in the rear; a number of armed police were on the street along the side; a crowd of men, women, and children stood across the way watching the parade. The Nationalists had brought their wives, mothers, and children along to see the parade. The evidence showed that there was no shooting whatever from any roofs or balconies, and this was confirmed by the district attorney of Ponce, Perez Marchand, who made the first investigation and who later retired as district attorney because, according to him, he was not given a free hand in his inquiries. One of the photographs shows a policeman actually firing at the crowd and other policemen drawing their guns, all in menacing posture. The police who were wounded or killed seem to have been caught in a cross fire.

The commission unanimously reported that the people of Puerto Rico have properly described the occurrence as the "massacre of Ponce."

I shall never forget the photograph of those cadets whom newspapers have described as "ruffians" and "gangsters," standing quietly with their hands at their sides waiting to be shot—defenseless but not one of them running away.

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Issues and Men

BY OSWALD GARRISON VILLARD

No Swastikas at the World's Fair!

ONE of the very best arguments that I have heard for the reelection of Mayor LaGuardia is that if he is again put in the City Hall there will be no German exhibit at the World's Fair; it is said that Hitler will refuse to allow a German representation here if the man who said that he ought to be in a museum of horrors is still mayor. Joking aside, this is a matter of the utmost importance, one that might be giving sleepless nights to Grover Whalen and the other managers of the fair, especially as Mr. Whalen has himself political ambitions and would doubtless not be adverse to finding his way into the City Hall, after the expiration of Mayor LaGuardia's second term, as a result of his brilliant management of the fair. That there will be serious trouble if the Germans come to the fair I have no doubt. They will come with their swastika flags, which in itself is an insult to a large portion of the population of the metropolis and of the United States, and as propagandists for their cause and their mode of government. We shall have street parades, men in the Nazi uniform, speeches, lectures, demonstrations of the wonderful advance made by Germany in every field during the four years of Hitler's regime.

We have had a little example of what we may expect in a recent happening in Cleveland, Ohio, where an exchange visit of German children is going on. One hundred and fifteen arrived from Germany the other day and marched under the swastika flag from the station to the City Hall, where after being greeted by the Mayor they sang the Horst Wessel song. Of course these youngsters are ardent Nazis—they know nothing else—and the corresponding number of American children who have gone to Germany will doubtless come home stuffed with German propaganda and imbued with fascist ideas perhaps for life. It is incontrovertible that the Germans are as bent on Nazifying the world as the Communists were determined at the outset of the Soviet experiment to communize the whole globe. If there are not wholesale protests against a Russian exhibit at the fair, it will be only because our patriotic societies feel that the Russians are no longer to be feared.

As Senator Borah pointed out in a recent speech, the two systems of society, the fascist and the democratic, cannot live in peace and harmony. They are essentially inimical, and there will be no peace between them until one or the other goes down. Dorothy Thompson has put it similarly—that the light of democracy will overcome the darkness of fascism or vice versa. Hence in asking the Germans here to take part in the show we are inviting official representation of the country which every year spends millions of marks in propaganda for the overthrow of our institutions, which has a regularly appointed Nazi leader assigned to the United States to carry on the propaganda, whose followers appear in public in their uniforms and are beyond question a menace to the peace and order of the United States. If the Germans come to the Flushing exhibition, I shall expect great parades of protest, with the marchers carrying banners and images ridiculing or denouncing Hitler, precisely as they were carried in the parade on May 1. I know the arguments that will be brought against this—that the hatchet ought to be buried for this occasion, that we, as hosts, must behave in a gentlemanly and polite way, that having invited all the world we cannot discriminate against one country, that Mussolini, who has already accepted and by royal decree has fixed the amount of money to be spent on the Italian exhibit, is certainly not one whit better morally than Hitler, that the thing to do is just to let them come and not take them seriously.

But as I have pointed out before, this is contrary to the American spirit, contrary to the American tradition, and contrary to the right of the American people to protect their institutions. I believe that great numbers of people will boycott and picket the fair if the swastika banner flies there; if I should be around then I should wish to participate in the picketing. Will any Jew set foot in the German exhibit? Certainly no self-respecting Jew. Will any Jews be permitted in the German exhibit? That may be for Hitler to decide. It seems to me that no American who has any heart at all can afford to go into that building. If he thinks only of the thousands upon thousands of Gentiles who have been expelled from Germany and robbed of all their means merely because Hitler did not like their views on peace and other things, if he thinks only of what has happened in Spain—of the nearly 12,000 Germans sent into that unfortunate country, of the bombing of Guernica by German aviators, the greatest outrage of the whole bloody intervention—then he must refuse to have any traffic whatsoever with those who have done these things and defend them as right and proper. Many persons will similarly refuse to enter the Italian pavilion, but the Italian situation is neither as pressing nor as dangerous to us as are the Nazi doctrines. At least Mussolini has not openly declared, as has Hitler, that his whole policy is based on deceit, lying, and fraud—and ruthlessness, too.

Well, here's hoping that Mayor LaGuardia's presence will keep the Nazis away. Better yet, here's hoping that before the fair opens two years from now Hitler himself will have crashed.

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BROUN'S PAGE

New Liberty Leaguers

LEGENDS die slowly in America. Long ago, before John D. Rockefeller was laid to rest, he had become a very old man who gave shiny dimes to children and even more glittering millions to universities and medical foundations. His personality had been wholly taken over into the domain of sweetness and light, and the earlier fighting days of the Standard Oil monopoly were all but forgotten. In somewhat similar fashion Henry Ford is very generally held to be an eccentric but wholly amiable collector of old fiddles and spinning wheels. Almost alone among industrialists Henry Ford has been able to create the illusion that he is a sort of medieval master of handicraft hailing all his employees by their first names and personally dropping in at every cottage with a Christmas turkey and a crock of apple sauce under his arm. It may be that Mr. Ford would truly like to play this role of the benevolent squire, but unfortunately he hasn't got a bicycle and could hardly complete the rounds of the hundreds of thousands who are on his pay roll.

Now and again some significant incident occurs to demonstrate the falsity of the picture of Ford set forth in the recent list of Fordisms. Although the good gray squire of Dearborn is often moved to talk of Wall Street and the capitalists, he knows the tricks of large-scale management a little better than any of his competitors. The labor-spy system has been developed to a high point in the Ford enterprises, and one of the chief responsibilities of the personnel manager, Mr. Bennett, has been to keep in being effective squads of strong-arm men. The recent beating-up of leaflet distributors at the River Rouge plant indicates that Ford's handymen can use brass knuckles just about as effectively as any other company thugs.

It was interesting to read an editorial in the New York *Sun* which spoke of the attempted C. I. O. "raid" on the River Rouge plant. "John L. Lewis's gangsters, who were accustomed to have their own way in affairs of violence, were thoroughly beaten," said the *Sun* editorial writer. It is unfortunate that editorial writers on the *Sun* do not even trouble to read the news accounts as they filter through into their own paper. There is no disagreement as to the fact that almost half of the small group which undertook to distribute leaflets consisted of women. And the same issue in which the editorial appeared carried an Associated Press photograph which showed six Ford employees trampling upon the prostrate body of a single C. I. O. organizer. It is also interesting to note that the gentleman who stands in the foreground of the picture seemingly prepared to kick the man who is down carries quite palpably in his back pocket a pair of handcuffs. And this is supposed to be one phase of a popular and wholly unfomented rebellion of the "loyal workers" against the "violence" of John L. Lewis and the C. I. O. organization.

In explaining the causes of the fracas in which ten or twelve women were kicked about the streets of Dearborn, Mr. Bennett said that the C. I. O. group was attacked by members of the A. F. of L. I think that he pays Mr. Green too high a compliment. I am aware that news dispatches from Cincinnati announce that William Green is now in a fighting mood, but when that mood seizes Green it is just about par if he manages to do as much as pound a fist upon a table. And yet it is significant that the personnel manager of the River Rouge plant should attribute the attack upon labor organization to the A. F. of L. It is symptomatic of the new role which Green and Frey and the rest have assumed. They are held to be the defenders of Fordisms and the whole economic philosophy of the bitter-end supporters of the open shop. The same New York *Sun* which gloated and chuckled over the fact that union women organizers had been kicked around the streets of Dearborn said very candidly in an editorial on the preceding day that the last hope of "free" industry lay in the efforts of William Green and the A. F. of L.

It is needless now to go into the disputed point as to whether the A. F. of L. chief attempted to ally himself with Sloan and sabotage the General Motors strike. He denied the story told by Lewis, but every bit of factual and circumstantial evidence which has been brought to light since points to its fundamental truth. For what reason did Green summon his cohorts to Cincinnati and call upon them to fight as they had never fought before? Was it to add a single man or woman to the ranks of organized labor? On the contrary, the whole plea of Green was that the A. F. of L. should undertake to disrupt and destroy the wave of unionism which is now sweeping the country.

As for John Frey, his utterances about Moscow control could not have been more blatant if they had come in a speech by Al Smith or any other leader in the Liberty League movement. John Frey has been balancing a red herring on the end of his nose for so long a time that it is almost impossible now to know where the smoked fish ends and Frey begins.

Among the American legends of which I have spoken is the curious myth that William Green is a labor leader. Surely no one can deny that in the last twelve months William Green has done everything that any man could possibly do to disentangle himself from all efforts for the betterment of American Labor. He is fighting minimum wages among other things on the ground that the minimum may tend to become the maximum. Mr. Green is vitally interested in the pay of one man who used to be a mine worker. The chief interest of William Green is to effect an economic set-up in which there will be no decrease in the salary of William Green, and for this purpose he is willing to work with Ford, Sloan, or anybody else who can help him maintain the status quo of his pay check.

HEYWOOD BROUN

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BOOKS and the ARTS

Failure Story

PEDLAR'S PROGRESS. THE LIFE OF BRONSON ALCOTT. By Odell Shepard. Little, Brown and Company. $3.75.

"GOD helps them that help themselves," said Poor Richard, but Bronson Alcott, in quest of God for eighty years, seldom thought of helping himself. Always in debt and usually without quite enough food, he did upon occasion search for a means of livelihood, but these moments were only, so to speak, lapses from which he soon returned to his reading and thinking, his search for promising "minds," his Conversations for "all who are interested in human destiny." And as Professor Shepard develops his excellent study, we realize that this was not the only commandment of Franklin's American ethics which Alcott broke. Was there one, indeed, he did not? "Plow deep while sluggards sleep," said the wily townsman, but for Alcott there was usually a conflicting event of somewhat greater importance —an incident, for instance, involving the subjection of the lower animals, or a talk with Emerson by the roadside, or a walking tour with Charles Lane. No, time was certainly not money to Bronson Alcott; was it not, rather, a symbol, a further manifestation of the divine and ruling spirit? In the other sense, the historical, there was simply no question of time, there was only the everlasting Now. If the lessons of the greatest teachers—Jesus, Socrates—were valid, then they were valid in New England in 1840, and Bronson Alcott set out not only to preach the Gospels but to practice them. If Franklin had another view of this ("Little strokes fell great oaks"), that view was the chief error of the reformers whom Alcott met, with their inability to grasp fundamental principles, their belief in inching along to paradise. They were content with the abolition of slavery. The real task, however, which could never be put off till tomorrow, was a universal spiritual enlightenment.

The usual penalty for breaking Poor Richard's precepts is worldly disgrace, and Bronson Alcott has generally been considered the eccentric and idle father of an illustrious daughter. It is Professor Shepard's thesis, however, that Alcott represents as basic an American ideal as Franklin. In the history of the American dream Alcott's failure story is as typical and doubtless as edifying as the success story of a Jay Gould or a Commodore Vanderbilt. Against the work of exploiting America's material resources, the conquest of power, the biographer places our older tradition of "radical idealism and heretical spirituality," the work of the soul. Through the history of Alcott and his friends—Emerson and Thoreau, Dr. Channing, Garrison; whom did Alcott not know?—Professor Shepard develops this argument, with a dramatic as well as a historic sense, and with so good a regard for both the personalities and the movements that his treatment of the New England scene must be considered a valuable supplement, in some respects a valuable corrective, to the most recent work of Van Wyck Brooks.

It is almost inevitable, however, that the biographer should sometimes fashion his interpretations to fit his thesis. Was Alcott, even if Fruitlands was short on common sense, the sanest man that Thoreau ever knew? One must consider Henry Thoreau's version of sanity. Alcott's complete integrity may in fact approach a kind of pathology, just as his transcendental emphasis on the spirit may seem almost as disastrous as that complete emphasis on the material to which it was the reaction. Franklin had another view of this, too: "Experience keeps a dear school but fools will learn in no other." Yet if Bronson Alcott is a little more like Mr. Micawber and Parson Adams and a little less like Plato and Socrates than Professor Shepard will admit, it was nevertheless his chief distinction that, "doubting not that some arrangement would be made," he never learned and never wished to learn from experience.

MAXWELL GEISMAR

The Future of Social Security

SOCIAL SECURITY. By Maxwell S. Stewart. W. W. Norton and Company. $3.50.

THIS is a book for all American voters, who shortly will be called upon for opinions on the existing social-security laws, both federal and state. Maxwell Stewart has examined the present legislation and the conditions which led to its adoption. He has reviewed the corresponding developments in European countries. And he has outlined clearly the steps which may now be taken to strengthen the existing provisions for unemployment and old age and to extend protection to those who need health insurance and adequate medical treatment for which they cannot pay individually.

In the first place, he points out, unemployment must be recognized as permanent and not as an unexpected accident. Yet it is impossible with the existing distribution of income to provide for this risk through savings. Relief as a protection for the unemployed, in the author's opinion, has failed. Experience abroad and in the United States leads to the conclusion that insurance on an actuarial basis must give place to more comprehensive and more adequate social protection. "Unemployment is not really an insurable risk," and moreover, "no country actually clung to actuarial principles during the depths of the depression." Not only is this risk unpredictable in its extent, and therefore not susceptible of actuarial provision, but the large accumulation of funds either for old-age insurance or for unemployment is actually shown to be "a threat to the stability of the capitalist system." This arises out of the disturbance to the investment structure and also because the enforced savings out of pay envelopes increase the inequality in the distribution of income, which is a further threat to purchasing power. On the other hand, a social-security program supported out of current revenue would increase stability. If this analysis is correct, it would appear on the whole that the opposition to social protection for all workers as a right by those who speak from the point of view of capitalist interest has been misguided, since the actuarial insurance which they regard as preferable would only increase instability.

It is the author's final conclusion, then, that future legislation in the United States must assume that the argument for social security rests not on economic but on humanitarian grounds. The goal is neither insurance in its actuarial sense nor relief but comprehensive social protection. He finds the

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greatest encouragement for the achievement of such a goal in the present increasing vitality of the labor movement. The book ends with this statement: "It may be assumed that the future of social security in the United States, both in its broadest and its narrowest sense, is closely bound up with labor's struggle for new dignity and higher living standards."

The book is clearly written, and though not as vividly interesting as the human significance of the subject might make possible, it is an indispensable contribution to the development in the United States of clearer ideas on this new phase of the activities of government.

MARY VAN KLEECK

The Novel, No

THE NOVEL AND THE PEOPLE. By Ralph Fox. International Publishers. $1.50.

THE major premise of this book is that the direction of the novel ought to be changed. The minor premise is that the world ought to be changed. Both of these propositions are worthy of the most serious consideration, but they cannot be seriously considered at the same time. It is true that literature is a function of society and that society itself is a variable. But we must assume that the social end of this equation is fixed, before we can understand precisely how a novel is related to the life of its time. Realism, originality, and the other criteria by which we describe novels are simply attempts to express this relationship.

Two of Ralph Fox's opinions will illustrate the elusiveness of his method. Jane Austen is an unsuccessful novelist because she "tamely surrenders" to her environment. That is an intelligible charge, although scarcely a credible one. Flaubert, who cannot be accused of an uncritical attitude toward his milieu, fails too, because he is writing of circumstances which can inspire "only disgust." The novel, then, must give more than a thoroughly realistic account of society; it must present a realistic account of the proper sort of society. And it is not always easy to distinguish between a realistic account of the proper sort of society and the proper sort of account of a society which is not real.

Fiction is such an amorphous and flexible medium that it is vulgarly identified with its subject matter. Since criticism often accepts the identification, Marxism cannot be expected to dwell upon the distinction. Fox's book carries this assumption to its extreme—content and form, the past and its novels, are swept into an all-embracing condemnation. Maxim Gorki was less peremptory. His heritage and experience had convinced him that the realistic novel was more closely allied to his own values than to those of the civilization which produced it. "Bourgeois society," he declared, in an appreciation of Stendhal, "is constantly giving birth to writers who are impartial historians of their social class, who pitilessly depict its vices, its baseness, its greed, its cruelty, and the logical evolution of its decline and fall."

Fox saw the novel of the future as a kind of epic. Was he aware that a heroic literature has always implied a static society? Certainly his formula is more likely to sponsor a revival of the epic than a continuation of the realistic novel. "Socialist realism" is an *Ersatz* product which belongs in a category with Scotch woodcock, Punic faith, and Irish confetti. It may provide much in the way of local color and specific detail, but its psychology will be conventionalized and its structure mechanical. Like the epic, or perhaps more like the film, it must celebrate a theme or cover a subject. Fox's scenario for a novel about George Dimitrov is timely; its hero is beginning to complain to Russian writers in the aggrieved accents of the insufficiently panegyrized.

Problems of literary form are not to be settled by the importation of specious metaphysical terms. The concept of objectivity, when applied to a novelist, can have almost antithetical meanings—an empirical view of experience or an external technique of characterization. Proust is a subjective writer in the latter sense only, for his internal style proceeds from a skepticism as searching as Montaigne's. Thus philosophical objectivity is responsible for technical subjectivity in the modern novel. Conversely, those who are anxious to restore the novel to an external plane cannot do so unless they take for granted a set of standards, and until Marxism becomes the prevailing belief of the reading public, these standards will appear arbitrary and hence subjective.

The persistent weakness of radical thought is its tendency to regard the history of anything as a conspiracy in restraint of unlimited development. The strength of the reactionary position, from De Maistre to Pareto, has lain in recognizing that limitation is form. Failure to appreciate this results in seeing collusion among the great novelists of the past to keep certain plain truths from being told, or else in insisting that they lacked the means to say the things they somehow should have said. Sufficient unto a society is the literature thereof. As an institution, literature accumulates its own precedents, language, and discipline, so that its connection with life at large is specialized and often indirect.

But these are questions for those of us who have the leisure to be novel-readers. If Fox preferred social documents to masterpieces, if he sought to erect his likes and dislikes into historical principles, if he was occasionally the victim of his own metaphors, if we find his epistemology naive and his scholarship undigested, his generalizations hasty and his prophecies wishful, we must attribute these faults to the impatience of one who has tasted action. "The Novel and the People" had better be read as a credo rather than a work of criticism, for strong affirmations rather than sharp analyses. Ralph Fox's last action solved the contradiction of his last book. Change the world and the novel will take care of itself.

HARRY LEVIN

The Dreyfus Affair

THE DREYFUS CASE. By the Man Alfred Dreyfus and his Son Pierre Dreyfus. Translated and Edited by Donald C. McKay. Yale University Press. $3.75.

HERE is the story, for the first time fully told in English, and with some material unpublished until now, of the famous case that shook the world and almost disrupted France, the significance of which, applied to the burning problems of today, is as great as ever. From whatever angle one views it, the Dreyfus Affair reveals the highest values and the most profound dichotomies of individual and social life. For the innocent victim it was a twelve-year Calvary of physical and spiritual torture in which he somehow forged for himself the strength to live for his own rehabilitation and the sake of his family. It exemplified in its ramifications the utmost baseness and nobility of which human beings are capable, dragging into the open the secret corporate vileness that infests the bases of the imposing structures of patriotism and national honor, exposing the depraved alliance of anti-Semitism, clericalism, monarchism, and simple careerism. It involved men in the highest political, judicial, and military

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places—ambassadors and heads of states, as well as writers, journalists, politicians, workingmen, spies—finally splitting France into two furiously hostile factions which cut across all former alignments, political, religious, social, and personal. It endowed prominent men with a new fame or a new infamy and sanctified or pilloried in history characters that might have remained obscure for good or evil all their days. Finally, though it ended in victory for Dreyfus and disgrace and suicide for his persecutors, though it was a great triumph for truth and liberalism, the same depraved forces are as strong in the world today as they ever were, probably stronger and more sinister.

Alfred Dreyfus was a young officer of Alsatian birth, whose family had long been ardently Francophile and whose brilliant record in the military schools had won him an appointment to the General Staff, an almost unheard-of distinction for a Jew. He was rich, happily married, at the threshold of an enviable career. The discovery, in 1894, of the *bordereau,* the famous letter in which Esterhazy announced to the German Ambassador that he was sending him certain French military documents, necessitated an investigation and a criminal. No one but Colonel Henry, Esterhazy's friend, knew who the real criminal was. It was he who directed the hunt toward Dreyfus the Jew, already resented by some of his colleagues. There was some hesitation, for Dreyfus's record was spotless and no motive was established, but this was quickly overcome. Forged letters, articles planted in the press, whispered denunciations quickly led to the secret court martial and conviction, the public degradation, and committal to Devil's Island for life.

But almost immediately Colonel Picquart, new head of the Intelligence Bureau, discovered Esterhazy's guilt and rushed to his superiors with the information. He made such a nuisance of himself that he had to be sent to the provinces on faked missions, discredited by more forgeries by the ever busy Henry, discharged from the army. But he cautiously divulged his secret to a friend; others began to hear rumors and to have doubts. Scheurer-Kestner brought the matter up in the Chamber; Esterhazy was openly denounced and indignantly demanded an investigation, knowing it would be a sham. He was acquitted. Zola's famous letter "J'Accuse!" burst upon the world and earned him a conviction for libel. The clamor on both sides grew formidable. Cavaignac, Minister of War, rose in the Chamber to prove Dreyfus's guilt by reading certain letters which were almost immediately proved to be forgeries, and the trail now led so unmistakably to Henry that he was arrested. He confessed and immediately committed suicide. There followed the resignation of Cavaignac while his speech attacking Dreyfus was still posted on all the hoardings of France, the resignations of Generals Boisdeffre and de Pellieux, the flight of Esterhazy to England, where he disappeared, dying long after in an obscure village under an assumed name, and then the granting of the appeal to have the Dreyfus case reviewed.

But the end was not yet. Three revisions were necessary before the complete innocence of Dreyfus was officially established in 1906 and he was publicly exonerated and reinstated in the army, as was Colonel Picquart at the same time. Tremendous efforts, political battles, feuds within feuds intervened. Jaurés, Anatole France, and many others sprang into the arena to combat the doctrine, now put forth by the anti-Dreyfusard patriots, of the "patriotic forgery," justified when the honor of the army was at stake. The *Gaulois* of December 13, 1902, remarked: "Even if he did not commit the treason for which he was twice condemned, does he not remain . . .

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the initial cause of the terrible social and political disorganization which we now witness. This revolution, coldly conceived and methodically executed by his companions, will bear his detested name in history. It . . . will always be called 'Dreyfusism.'"

M. Pierre Dreyfus tells extremely well the history of the *Affaire* from 1894 to 1899; the memoirs of his father bring it up to 1906. Among the new material are a number of letters from Madame Dreyfus to her husband at Devil's Island. With simplicity and restraint M. Dreyfus, the son, conveys the suffering and the fortitude of these two, their efforts to make the home life normal for the children, before and after the father's return, the devotion of his Uncle Mathieu. There is also a reference to the posthumous Memoirs of von Schwartzkoppen, the German Ambassador, who in them recorded in full the evidence of Dreyfus's innocence which he did not have the courage to make public when living. There are still some unexplained mysteries connected with Henry and the impudent, dissolute, and Germanophile Esterhazy. Here is every aspect of that grim social drama that combined Dostoevskian elements with Greek fatalism and was a more perfect mystery story than any work of fiction, for what author would dare so to overwork the forgeries, the coincidences, the villainies, the heroisms, the political involvements, the psychological enigmas. But most important for us, it is an X-ray plate of the bare bones of the political and military life of the period and essentially typical of ours, as well.

CLARA GRUENING STILLMAN

Tax Reform

FACING THE TAX PROBLEM. A SURVEY OF TAXATION IN THE UNITED STATES AND A PROGRAM FOR THE FUTURE. Prepared under the Auspices of the Committee on Taxation of the Twentieth Century Fund. Published by the Twentieth Century Fund. $3.

ORDINARILY taxes are regarded as a necessary evil. It is assumed that sound tax policy means a reduction in taxation, and that the country is going to the dogs if it does not achieve this objective quickly. No account is taken of the disposition of tax funds or of the great potential value of taxation as an instrument of social and economic control. The Twentieth Century Fund study not only explodes many of these popular myths regarding government revenues but sets forth a program for the reform of our tax system which for the most part is constructive and valuable.

The overwhelming burden of taxation about which we hear so much turns out to be, for instance, only $100 a year for each person in the United States. This includes all forms of federal, state, and local taxation. A few persons in the higher income groups pay very much more, but the majority of Americans pay somewhat less, even when indirect taxes are taken into consideration. Similarly, the familiar complaint that the ever-increasing volume of taxes threatens to throttle normal business activity appears to be greatly exaggerated. The study finds no fixed limit to the amount of taxation that can be borne by our economic structure. The amount would vary under different conditions, particularly in accordance with the manner in which the tax revenues were used. If the money were utilized so as to supply a portion of the community with the basic necessities of life, the limit would be very high indeed. Although the authors find that a sharply graduated income tax may discourage undertakings in which

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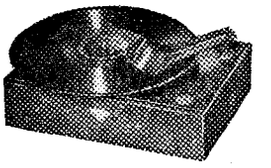

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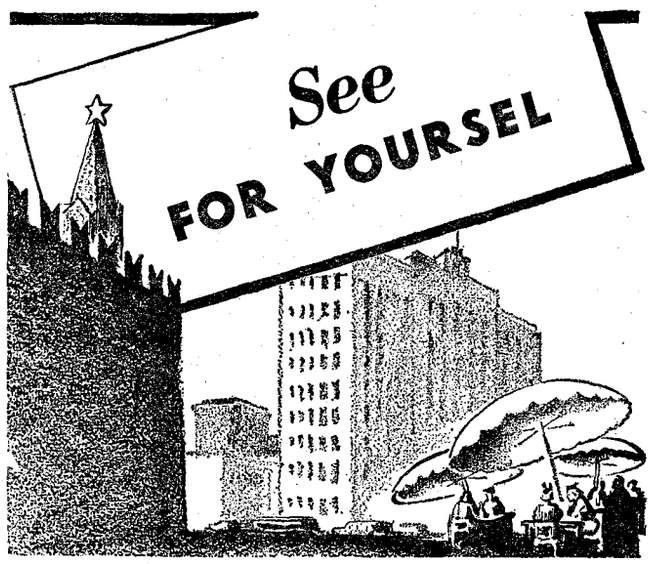

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considerable risk is involved, they discover no evidence that ordinary business initiative has been greatly affected by such taxation.

Great possibilities for the expansion of federal and local revenues are found to exist if the recovery movement continues unchecked. Merely as an illustration, the authors point out that a more steeply graduated federal surtax on incomes—ranging from 1 per cent on surtax net incomes of $4,000 to 75 per cent on incomes of over $75,000—would produce 50 per cent more revenue, on the basis of 1934 incomes, than the 1936 rates. If the exemptions were dropped to $1,000 for married men, $500 for single persons, and $200 for children, the yield would be increased another 35 per cent. A substantial increase—running up to a billion dollars annually—would also be possible in the case of the estate tax, and added revenue might be obtained from federal gasoline and tobacco levies, as well as from state income taxes.

Although not opposed to the use of taxation as an instrument of social control, the study warns against certain abuses in tax policy. It condemns the tariff, the taxes on chain stores, graduated corporation taxes which are levied on "bigness," and tax exemptions granted to institutions or groups in lieu of cash subsidies. It favors redistribution of income as a goal in tax policy, provided the redistribution is from the wealthy to the less wealthy, and points out that many of the indirect taxes are regressive in their effect. Serious difficulties are found in the old concept of tax "justice," and it is suggested that in the future the emphasis will be shifted to capacity to pay and the impact of taxation on the operation of the economic system.

The committee's recommendations for action are on the whole definitely progressive in their implications. Most important is the suggestion that the exemptions for the personal income tax be reduced from their present level to $1,000 for married couples and $500 for single persons, with provision that the federal revenue gains from the lowering of exemption be offset by a reduction in other taxes that now fall heavily on persons of low income, such as tariff duties and possibly the social-security pay-roll taxes. If an increase in government revenue is desired in order to reduce the federal debt, the committee proposes that the money be obtained primarily by raising the income surtax rates in the middle brackets—between $5,000 and $50,000. It also recommends an increase in the gift and estate levies. On the other hand, it would eliminate sales taxes as soon as possible, as well as the indefensible chain-store tax.

Without taking exception to these conclusions in principle, one wonders whether it is necessary to reduce the exemption as much as is proposed by the committee in order to achieve the financial benefits of a broader base. The committee admits that a reduction in the exemption would bring in eight or nine millions and greatly increase the administrative tasks of the Revenue Department. Nearly four million of these returns would be from families in the $1,000 to $1,500 class, a group which would contribute practically nothing in the way of taxes. The argument that the payment of a tax, no matter how small, is desirable as a means of increasing the average citizen's sense of civic responsibility fails somehow to carry conviction. The study points out, for example, that from fifteen to twenty million families are already paying an automobile license tax, but it does not show how this development in tax consciousness has been of any value, except possibly to pressure groups that are seeking to restrict governmental expenditures.

The committee's recommendation for the repeal of the

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undistributed-profits tax also fails to carry conviction, especially since it is linked with an impracticable suggestion that individuals be compelled to value their shareholdings each year and enter the gain or loss in their income-tax returns. To cite only one of many defects in such a plan, one wonders what revenue would have been available for the government from 1929 to 1933? Although the scheme might take the place of the undistributed-profits tax as a device for making certain that individual taxpayers pay a graduated tax on their earnings as shareholders, it would leave untouched the crucial economic problems arising from the tendency of corporations to plow under their income instead of distributing it as purchasing power. It is unfortunate that this rather fantastic suggestion, unconcurred in by the research staff, should mar an otherwise exceedingly useful and timely volume.

MAXWELL S. STEWART

The Second Empire

THE GAUDY EMPIRE. By Alfred Neumann. Translated by Eden and Cedar Paul. Alfred A. Knopf. $2.75.

FIRST of all, this is, I must hasten to say, a typical German book, with all the pathetic features which accompany every German attempt to understand foreign psychology. Once this essential fact has been grasped, it becomes easier to judge of the value of Herr Neumann's description of the brilliant days of the Second French Empire. In many points this description is an excellent one. But the book is too long; it is boring in its endless explanations of things which can only be explained by intuition; and it gets completely off the track when it launches into imaginative stories of imagined things. In order to form a just idea of such conversations as took pace at Biarritz between Napoleon III and Bismarck, one must have moved among the surroundings in which they were carried on. We live in an age when statesmen and great writers arise out of nothing, like mushrooms after a summer rain, but even writers blessed with genius cannot know all the ins and outs of the political affairs of a period like the Second Empire, when such events were kept secret and never were thrown to the man of the street for him to make his breakfast of. One who has closely followed the variations in the thought of Napoleon III as revealed by contemporary memoirs cannot quite figure to himself that the Emperor would ever have told Bismarck during those sunny afternoons when they paced together the beach at Biarritz, that "the interests of Prussia and of France were identical." This is German ignorance of foreign psychology, and it makes mincemeat of Herr Neumann's conviction that he was writing a historical work.

If his book is not that, is it a historical novel? One would read it with greater pleasure if one were sure that everybody would consider it that. But a historical novel must have more incidents and more glamor, must not fall into speculative psychological surmises; the author must remember that "The Three Musketeers" and "The Reine Margot" have survived the writer who gave them to the world because, among other reasons, they are what a novel ought to be, romantic and thrilling. There is no thrill in "Gaudy Empire"; not even in the brief description of the pathetic close of a career so illustrative of the vanity of all things as Napoleon III's.

The best pages in the book are those dealing with the plot of Orsini and the Italian policy of the Emperor. The description of both the Empress Eugénie and the famous

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Countess de Castiglione are so inexact as to be beneath notice. One great fault of the book is that while it is frequently so drawn out that it becomes confused, it is yet much too short when it comes to the final catastrophe which destroyed the Second Empire. The author could have expanded this with profit, for he seems to have a better knowledge of it than of French society during the reign of Napoleon III. One does not understand what has made him ascribe such importance to Rochefort, whose fiery and unscrupulous temperament only came really to the front after the fall of the empire, and who first became a popular hero during the Third Republic. Before its advent he was looked upon only as an agitator.

"Gaudy Empire" is decidedly a partisan book; it aims to present a period of modern history from its own point of view, the German one, and to exploit the events of that period as a justification of things which it is still too early to evaluate. It lacks conciseness, and the writer would have done better to model himself after certain French authors in his appreciation of an age still wrapped in the clouds of social and political ignorance—for example, after André Bellessort, who has recently published "French Society Under Napoleon III." It is, as a critic said the other day, "a story of men and women of whom few people possess much definite knowledge." If Herr Neumann had possessed more, he would have given us a better book.

CATHERINE RADZIWILL

War Poem

FIVE MEN: A POEM. By Craddock Edmunds. Around-the-Corner Bookshop: Lynchburg, Virginia. $2.

LIKE Colonel Fenwick of Craddock Edmunds's narrative this is a poem full of "anger and action." Mr. Edmunds's concern here is with war: his purpose has been to objectify a universal folly in terms of individual conduct. The canvas is consequently a broad one and the colors dark almost without relief. Five men, strategically combined to embody as many different ways of life, are carried in parallels through an incident in the Battle of Rheims, while on yet another level the facts of their behavior are projected toward a fixed ethical concept. Count von Markert, a Prussian colonel of the old school, awaits the great offensive embittered by a sense of his unrecognized worth and with abuse for his bungling superiors. The English Colonel Fenwick, "clinging still to texts well learned in youth," eases a rebellious conscience by the process of supplanting the Sermon on the Mount with the excoriations of the prophets. Another and highly dramatic vehicle of contrast is afforded by the two younger men of the poem, Privates Michael and Helmut, whom the poet brings together with an effect of increasing tension and terror until the young Helmut obtains satisfaction in "that last, long, and most exquisite trembling Up to the bayonet to hand and flesh." Perhaps the most powerfully realized portrait of the five, however, is that of the American surgeon, Coles, who, on the brink of madness, serves as the poet's interlocutor and drives home the unhappy truth of the poem with a clinical simplicity that is the more deadly for its complete freedom from cant. In general, the blank verse moves with an energy that marks the style as peculiarly the author's own instrument, and the poem as a whole attains a memorable climax in the closing section. It is many years since the South has produced an achievement in sustained narrative verse as vigorous as "Five Men."

BEN BELITT

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Letters to the Editors

The Struggle in Catalonia

Dear Sirs: I have just returned from several months in Spain. I was no sooner off the ship (the Normandie, May 18), than my attention was called to your issue of May 15 with its editorial entitled Uprising in Catalonia. I am shocked by the number of statements contrary to fact to be found in that brief article, the attitude expressed there, and above all that it appears unsigned and thus as the opinion of the editors of *The Nation.*

Permit me to point out a few of the misstatements:

1. *"Anarchist irreconcilables supported by the P. O. U. M. staged a little civil war by attacking the Loyalist government."* The attack came from government troops, not from the Anarchists and the P. O. U. M. Under the pretense of building up a "treasury guard," the Department of Hacienda organized picked troops for internal civil war, called the Carabineros, up to the number of 40,000. These it sent into Catalonia to disarm and replace the Catalonian safety patrols and border service. The latter posts have been in the hands of the Syndicalists since the first day of the military revolt and were a vital factor in stopping fascism in Catalonia. The Syndicalists resisted disarmament, much as the popular National Guard resisted disarmament by Thiers during the Paris Commune. The C. N. T. had entered the Catalonian collaboration government on the express condition that the patrols were not to be disarmed. Hence the move was in the nature of a coup d'état and did not even have constitutional warrant.

2. *"Under their influence Catalonia printed its own currency,"* etc. The Catalonian nationalist autonomy movement does not spring from the Anarchists and Syndicalists. Rather one of the defects of these parties till recently was a tendency toward an abstract rejection of nationalism and the movement for autonomy.

3. *"The factories in Barcelona have contributed little to the munitions supply."* I am in a position to declare that the bulk of the war industries of Spain have been developed precisely in Catalonia, and it is the rest of Spain, with the exception of Biscay, that has "contributed little to the munitions supply."

4. *"The dissident Anarchists and the P. O. U. M.—including its Trotskyist wing—had created the utmost tension because . . . many arms shipments sent by Valencia found their way into private supply depots in Barcelona."* First, the resistance was not led simply by dissident Anarchists but by the C. N. T. and F. A. I., and those condemning it were in the minority. Second, the P. O. U. M. is neither Trotskyist, as is generally stated, nor endowed with a Trotskyist wing. A few of its members are former Trotskyists who long ago broke with and were expelled by Trotsky. He has attacked the P. O. U. M. The latter in turn has expelled all avowed Trotskyites, who have a paper of their own which attacks the P. O. U. M. with all its feeble might. Why was the "wing" business dragged in, anyway? Third, "many arms shipments" were not sent by Valencia to Catalonia. The flow of armaments has been mainly the other way. One of the bitter complaints of the militiamen on the Aragon front, and it was universal, was that Valencia was withholding airplanes and tanks, the only things it could have shipped since they come generally from abroad, in order to force a purge of the Aragon troops. The Syndicalist press repeatedly demanded, "All long arms to the front." This was aimed at the Carabineros, or treasury "home guards." The Syndicalists repeatedly demanded an official investigation of the systematic sabotage of the arming of the Aragon front and the prevention of an offensive there, and the government repeatedly evaded the demand for an investigation. The only recorded case of equipment, other than small arms, "finding its way into private supply depots," was the case of ten tanks, not shipped from Valencia but built in Barcelona for the Aragon front, which were stolen on forged order, not by the P. O. U. M. or Anarchists or Syndicalists, but by the P. S. U. C., the official Communist Party in Catalonia. The theft is a matter of public record but no responsibility for it was fixed up to the day of my departure.

It is the view of the Syndicalists, Anarchists, and P. O. U. M. that since the bourgeois republic in Spain has twice given birth to fascist uprisings, it should not be restored again; that since the regular "non-partisan" army has rebelled and the workers' militias have defeated them, a unified workers' army should be developed out of those militias and not a new "non-political" army, blind instrument of its middle-class officers; that since the owners of land and industry have rebelled, their property should be socialized and the economic roots of future reactionary rebellions thus plowed under and removed; that since collaboration of the workers' parties with the bourgeois parties under Azaña led to the retention, first, of Sanjurjo till he revolted, and then of the Franco crowd till they revolted, Azaña should not again be rehabilitated so that the costly error may be repeated yet again. The coalition government (Popular Front) made possible the uprising of 1932, the reaction of 1934, and the uprising of 1936. The Syndicalists, the Anarchists, the P. O. U. M., and the overwhelming majority of the old-time trade unionists in the U. G. T.—except in those provinces, like Catalonia, where it was virtually nonexistent till after the July days of last year when it was constructed by the Communist Party and recruited large numbers of small shopkeepers, industrialists, office workers, government officials, and backward sections of the working class that had always opposed trade unionism—are determined not to return to the bourgeois republic. Not always clear about how to realize their aim, they are trying to get, and believe they are moving toward, a workers' front as against a people's front and a workers' government as against a bourgeois government and socialism as against capitalism.

It is noteworthy that the recent intrigues intended to eliminate the Syndicalists from the government were also aimed at Largo Caballero and the old leadership, the founders of the U. G. T., and that the new government includes neither U. G. T. nor C. N. T., and is headed by Dr. Negrin, under whose rule the treasury department developed the shock troops for internal civil war, the Carabineros.

The Nation may or may not agree with those views. But it has the obligation to state them fairly, to avoid confusing the issue by prejudice-arousing shibboleths like "Trotskyist."

As far as the writer is concerned, after several months of first-hand study in Barcelona, Madrid, Valencia, and many

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smaller towns and villages, and on two fronts, he is convinced that we have not yet heard the last of the Syndicalists, Anarchists, and P. O. U. M., and the sectors of the U. G. T. that are closest to them. Sooner or later they will hammer out, publicly or underground as necessity may dictate, the only possible leadership and program for the Spanish working class and the permanent defeat of fascism. BERTRAM D. WOLFE

New York, May 20

[*The following answer to Mr. Wolfe was written by Louis Fischer at the request of* The Nation. *The editorial to which Mr. Wolfe objects was based in large part on first-hand information in Mr. Fischer's possession.* The Nation *has steadily depended upon Mr. Fischer's personal experience and continuing contact with developments in Spain to supplement the material available in the press. While the details of the recent Anarchist-Popular Front conflict are somewhat clouded by the propaganda originating from both sides, the fundamental issues remain clear. Mr. Wolfe has expounded the extreme revolutionary view effectively, but he has failed to convince us* (1) *that at this stage the Spanish government should be a strictly working-class government rather than a coalition of all parties and groups willing to collaborate in resisting fascist aggression;* (2) *that the war could be directed successfully by a government simultaneously prosecuting a program of general collectivization, or fought by a citizens' army which was not coordinated under a unified command; or* (3) *that under the circumstances the Anarchists were justified in refusing to turn over their arms to the government.*—EDITORS THE NATION.]

Dear Sirs: In September and October, 1936, the Spanish Anarchists (F. A. I. and C. N. T.) insisted on admission into the Popular Front government. In November four of their leaders were included in Caballero's Cabinet. They thus joined with the liberal bourgeois Republican, Socialist, and Communist parties to prosecute the war and continue the social revolution. The obvious implication of their adherence to the Valencia government was cooperation with it.

Such collaboration is not comparable to the assistance which Socialist parties have in the past given bourgeois governments at war. Nor is there a parallel between the Azaña cabinets of 1932-33 and 1936 and the Popular Front of today. For Franco precipitated a revolution in Loyalist territory which is irrevocable, and Caballero and Negrin have facilitated and guided vast social changes. Seven and a half million acres of estates have been taken from their pro-rebel owners and distributed among peasants. Almost all large factories and many medium-sized industrial establishments have been seized by the state or trade unions or political parties or employees' organizations. No faction in the Valencia government has thus far opposed or impeded these steps.

The left Republicans, the Socialists, the Communists, and a part of the Anarchists differ with the dissident Anarchists and Trotskyists about something else. Is the lower middle class also to be expropriated, and should the sequestered feudal lands be taken from their new individual holders and cultivated collectively? The Popular Front maintains that the small shopkeepers and small peasants are profoundly anti-fascist. They represent no danger to the new Spain which is emerging, and if they did, they could easily be coped with. To antagonize them now would mean to throw them into the arms of the rebels at a time when to lose any supporters of the Popular Front might mean to lose the civil war. Similarly the government welcomes agrarian collectivization where the peasants themselves want it. But superimposed collectivization would make enemies of the peasantry and thus pave the way for Franco's victory. To push the revolution too far may mean to defeat it. Lenin did not collectivize in Russia in 1918.

The corollary of the Anarchists' entrance into the Caballero government was the acceptance of this principle, for you cannot work with the left bourgeois Republicans in city and village and at the same time seek to crush every vestige of the petty bourgeoisie by means of immediate and complete socialist revolution. This was not, however, merely a logical compulsion. A victory over fascism required the arrangement. When Mr. Wolfe advocates a workers' government as against a popular-front government he urges the dismissal of valuable allies who are at the front fighting enthusiastically against Franco. When he demands socialism tomorrow he means to drive out millions whose economic status would be destroyed. This "infantile leftism" would alienate potential pro-Loyalists in Franco country and, incidentally, intensify foreign hostility.

Despite Anarchist adhesion to the Popular Front, some Anarchists have nevertheless continued to dispossess small private tradesmen and to collectivize at the point of the rifle. We have had very convincing reports about the armed resistance which was thus provoked. James M. Minifie, among others, wrote about it in great detail in the New York *Herald Tribune* of April 28 and May 6.

To cope with the hostility which they themselves were creating and to prepare for an armed struggle with the Communists and Socialists which, sadly enough, the dissident Anarchists and their Trotskyist friends considered inevitable, these groups established their own arsenals. If Mr. Wolfe knows of only a single instance of arms seized, and that by the Socialist-Communist P. S. U. C., his information is one-sided, to say the least. I have heard of many more in which Anarchists were involved. Last autumn the government issued orders that all arms be sent to the front. Mr. Minifie writes about this too. Quoting a long Anarchist defense he says, "It is plain from their own account that the Anarchists at Cullera had not surrendered their arms." This was true in many localities. The battle fronts languished for lack of munitions which were held for use in the rear. From the autumn of 1936 until May, 1937, Valencia coaxed and argued. Then it put down its foot and demanded. Thereupon the Anarchists and Trotskyists took to the barricades. Herbert L. Matthews confirms this account of the sequence of events. "The Valencia government had to send troops to quell the uprising," Matthews wrote in the New York *Times* of May 23.

The trouble centered in Catalonia. Of course Barcelona has given more munitions than Madrid and other non-industrial towns. Barcelona is Spain's greatest metallurgical city. But it has given far less than it should have, and absolutely the volume was small. There is objective proof of this. The Aragon and Teruel fronts are really Catalan fronts held by Anarchists and should be directly supplied by Barcelona. Barcelona cannot produce airplanes or many cannon. But it ought to put out at least enough cartridges. Yet for months the brigades have stood at Huesca and Teruel without making any progress and doing little fighting. At times in these places there were not more than eight rounds of ammunition per soldier. Since December, when supplies increased, Anarchist units have frequently refused to go into battle. The so-called "Iron Column" had to be removed from the front in April for this reason.

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In their forced-collectivization activities and in other work at the rear the "uncontrollables" among the Anarchists have enjoyed the ready assistance of the Trotskyists. Mr. Wolfe objects to *The Nation* calling the P. O. U. M. Trotskyist, but he himself proves that it is. The P. O. U. M. was formed by the Workers' and Peasants' Party, led by Maurin, and the Trotskyist Communist Opposition, led by Andres Nin. The P. O. U. M. rejects the Fourth International. It has also invited Trotsky's displeasure by joining a Popular Front government in Catalonia. But during most of its history, as Mr. Wolfe shows, the P. O. U. M. has opposed the Popular Front, has favored collectivization in the midst of the civil war, and wanted socialism at once. If one adds all the connotations of its violent anti-Soviet attitude, despite all that Russia has done for the Loyalist cause, one has most of the elements of Trotskyism.

Reports from Spain indicate that the prominent Anarchist leaders were opposed to the Barcelona uprising and urged the "rebels" to desist. The hope of peace among the Loyalists lies in the victory of this cooperative policy over that of the "uncontrollables." It seems to me that this is no time for dissensions which play into Franco's hands.

LOUIS FISCHER

New York, May 26

Catholic Americana

Dear Sirs: Some time ago the maid of a friend of mine came home from church one Sunday looking very depressed. Upon being questioned, she said that the parish priest had told the congregation that no good Catholics should work for Jews, as all Jews were Communists and thus enemies of the church. Furthermore, he read out the names of those girls in the parish who worked for Jewish employers and said they should leave their jobs. Two weeks later this maid left my friend's home. Recently I was told of a woman who interviewed several applicants for the position of nursemaid for her child. Three of them said they could not work in a Jewish home. When asked the reason at least one of them said that the parish priest had said they should not. The Catholic church is not having a happy time in the land of Hitler, yet it seems to be adopting his methods. If communism is out to destroy the Bill of Rights of the American Constitution, the church seems to be stealing a march on it. A READER

Brooklyn, May 10

Dear Sirs: Can you give some publicity to the organization of the Catholic church which is operating in the Chicago public high schools? It is called "Cisca," for Chicago International Schools Catholic Association. Meetings are held in the high schools and addressed by Catholic priests. Recently in Chicago the school board and Superintendent Johnson prevented teachers of civics from sponsoring student participation in a contest favoring the city-manager form of municipal government. Mayor Kelly and most of the school board are Catholic, and Superintendent Johnson, reported a convert to Catholicism, has been a willing instrument in their hands.

A HISTORY TEACHER

Chicago, April 24

Mr. Cardiff Vindicated

Dear Sirs: You may recall my letters referring to certain litigation the Washington Dehydrated Food Company has had with the federal Food and Drug Administration, a correspondence which grew out of a swipe you took at us in your issue of February 26, 1936. The government appealed the case to the federal District Court of Appeals at Kansas City. On April 24 the court handed down its decision sustaining the findings of the lower court, which, as you may recall, were to the effect that the government was entirely wrong in these seizures. You may desire to shed some tears in behalf of your bureaucratic friends on this defeat. IRA D. CARDIFF

Washington, May 15

[*The "swipe" to which Mr. Cardiff refers was printed in Ruth Brindze's column, Facts for Consumers. Miss Brindze spoke of a suit for "malicious persecution" brought by Mr. Cardiff against a food-and-drug inspector, and suggested that unfortunate results might ensue if administration inspectors were made personally liable for the performance of their official duties.*—EDITORS THE NATION.]

No "Nix on Pix in Stix"

Dear Sirs: Through the notice given the film "Spain in Flames" in *The Nation* and through the adverse notice given it by the reactionary press, we became interested in the feature and played it May 11-13 at the Rex Theater in Thompson Falls, of which I am proprietor. The picture was well received by the audience and aroused some real thought. I cannot see why it was banned from Pennsylvania and Ohio. Out here in the sticks we seem to have a little more freedom of press and speech.

If I had my way I would show this "Spain in Flames" in every schoolroom in the country and to every religious and social organization working for universal peace. It is the greatest argument against war and fascism ever placed on the screen. H. O. EKERN

Thompson Falls, Mont., May 21

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